This Appendix contains the summary of the principal provisions of the Articles of Association. The main purpose of this Appendix is to provide an overview of the Company's Articles of Association for potential investors, so it may not contain all the information that is important to potential investors.

SHARES

1. Issuance of Shares

The shares of the Company take the form of share certificates, and share certificates include the form of uncertificated securities.

The shares of the Company shall be issued following the principles of openness, fairness and justice, and each share in the same class shall have the same rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same; for the shares subscribed by any subscriber, the price per share paid must be the same.

2. Increase, Decrease and Repurchase of Shares

Increase of Registered Capital

The Company may, upon resolution by a shareholders' meeting, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the provisions of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed:

(I) issuing shares to unspecified parties;

(II) issuing shares to specific parties;

(III) distributing bonus shares to existing shareholders;

(IV) converting the reserved funds into share capital;

(V) other ways stipulated by the laws and administrative regulations, and approved by the securities regulatory authorities of the place where the Company's shares are listed, the Hong Kong Stock Exchange, and the China Securities Regulatory Commission (CSRC).

Reduction of Registered Capital

The Company may reduce its registered capital. Where the Company reduces its registered capital, it shall be handled in accordance with the procedures prescribed by the Company Law and other relevant provisions, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

Increase or decrease of the registered capital of the Company shall be registered with the company registration authorities in accordance with the laws.

Repurchase of Shares

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

(I) reduction of its registered capital;

(II) merging with another company holding shares in the Company;

(III) the shares are to be used for employee stock ownership plans or equity incentives;

(IV) any shareholder opposes a resolution on the merger or division of the Company adopted at a shareholders' meeting and requests the Company to purchase his or her shares;

(V) the shares are to be used to convert corporate bonds issued by the Company that can be converted to shares;

(VI) it is necessary for the Company to maintain corporate value and shareholders' interests;

(VII) under any other circumstance as provided by any law or regulation.

Except for the aforesaid circumstances, the Company shall not repurchase its own shares.

The Company may repurchase its own shares through public centralized trading or other methods approved by relevant laws and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and the CSRC (if necessary).

If the repurchase of its own shares is made by the Company under any of the circumstances stipulated in item (III), item (V) or item (VI) hereof, centralized trading shall be adopted publicly.

The Company purchasing its own shares under any of the circumstances set forth in items (I) and (II) above shall be subject to a resolution of the shareholders' meeting.

The Company purchasing its own shares under any of the circumstances set forth in items (III), (V) and (VI) above may, pursuant to these Articles of Association or the authorization of the shareholders' meeting, be subject to a resolution of a meeting of the Board of Directors at which more than two-thirds of Directors are present.

The shares repurchased by the Company according to the above provisions under the circumstance stipulated in item (I) hereof shall be deregistered within ten days from the date of repurchase of shares; the shares shall be assigned or deregistered within six months if the repurchase of shares is made under the circumstances stipulated in either item (II) or item (IV); and the shares in the Company held in total by the Company after the repurchase of shares under any of the circumstances stipulated in item (III), item (V) or item (VI) shall not exceed 10% of the Company's total outstanding shares, and shall be assigned or deregistered within three years.

The Company making a share repurchase shall perform its obligation of information disclosure according to relevant laws and regulations and the Hong Kong Listing Rules. Where the relevant regulatory rules of the place where the Company's shares are listed contain any other provisions in respect of the matters related to the share repurchases, such provisions shall prevail.

3. Transfer of Shares

Shares of the Company may be transferred according to the laws.

Matters concerning the restriction on sale, reduction, and other changes of shares held by the shareholders, directors, and senior management of the Company shall comply with the relevant provisions on changes in the Company's shares as set forth in the Company Law, the Securities Law, the Hong Kong Listing Rules, as well as the relevant regulatory rules of the CSRC and the place where the Company's shares are listed.

The Company does not accept its own shares as collateral for a pledge.

Shares of the Company issued prior to the public issuance of shares shall not be transferred within one 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 their shareholdings in the Company and the changes thereof and shall not transfer annually, during their terms of office as determined at the time of taking office, more than 25% of the total number of shares of the Company which they hold; the shares of the Company held by them shall not be transferred within one year from the date when the shares of the Company are listed and traded. The shares held by the aforesaid persons in the Company shall not be transferred within half a year after they have left office.

Where shares are pledged during the period when their transfer is restricted as prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right within such restriction period.

Where relevant provisions of the securities regulatory authorities of the place where the Company's shares are listed have any other provisions in respect of restrictions on transfer of overseas listed shares, such provisions shall prevail.

The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide financial assistance for others to acquire shares of the Company or its parent company in the form of donation, capital advance, guarantee, loan, etc., except where the Company implements an employee stock ownership plan.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

1. General Provisions of Shareholders

Register of shareholders

The Company shall maintain a register of shareholders based on vouchers provided by securities registries. The register of shareholders shall be sufficient evidence of the shareholders' shareholding in the Company. Shareholders enjoy rights and assume obligations in accordance with the class of shares they hold; shareholders who hold the same class of shares enjoy the same rights and assume the same obligations.

When the Company convenes a shareholders' meeting, distributes dividends, conducts liquidation and performs other activities that require determining the identity of the shareholders, the Board of Directors or the convener of the shareholders' meeting shall determine the date of record, and shareholders registered in the register after market closing on the date of record shall be shareholders who enjoy the relevant rights and interests. Where the laws, administrative regulations, departmental rules, regulatory documents and the relevant stock exchanges or regulatory authorities of the place(s) where the Company's shares are listed specify the period of closure of the register prior to the holding of a shareholders' meeting or prior to the date of record for the determination of dividend distribution by the Company, such provisions shall prevail.

Rights and obligations of shareholders

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

(I) to receive dividends and other forms of profit distribution based on the number of shares held by them;

(II) to lawfully demand, convene, preside over, or attend shareholders' meetings either in person or by proxy, speak at shareholders' meetings and exercise the corresponding voting right (except where a shareholder is required, by the securities regulatory rules of the listing place or applicable laws and regulations, to abstain from voting on individual matters);

(III) to supervise the Company's business operations, propose recommendations or raise questions;

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

(V) to review and copy the Articles of Association, register of shareholders, minutes of shareholders' meetings, resolutions of meetings of the Board of Directors, and financial and accounting reports. In addition, eligible shareholders may examine the Company's accounting books and accounting vouchers;

(VI) to participate in the distribution of the Company's residual assets based on their shareholding upon termination or liquidation of the Company;

(VII) to request the Company to acquire shares held by shareholders who vote against any resolution proposed in any shareholders' meeting on the merger or division of the Company;

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

If any shareholder requests to inspect or copy the relevant information of the Company, the said shareholder shall comply with the laws including the Company Law and the Securities Law and administrative regulations and provide the Company with written documents bearing evidence of the class and number of shares held by the said shareholder in the Company, and the Company will provide the said information upon authentication of the identity of the said shareholder. If shareholders request to inspect the Company's accounting books and accounting vouchers, they shall submit a written request to the Company, specifying the purpose. The Company may refuse to provide access if it has reasonable grounds to believe that the shareholder's purpose for inspecting the accounting books and accounting vouchers is improper and may prejudice the legitimate interests of the Company, and shall, within 15 days from the date the shareholder submits the written request, provide a written response to the shareholder and state the reasons for the refusal.

Where the contents of a resolution of shareholders' meeting or the Board of Directors of the Company violate the laws or administrative regulations, shareholders are entitled to petition the people's court to declare the resolution invalid.

Where the convening procedures or voting methods of a shareholders' meeting or a Board meeting violate laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, a shareholder shall have the right to apply to the people's court for revocation within 60 days from passing of such resolution, unless there is only a slight defect in the convening procedures or voting methods of the shareholders' meetings or Board meetings, which has no substantive impact on the resolution.

In the event of a dispute regarding the validity of the resolution of a shareholders' meeting among the Board of Directors, shareholders and other relevant parties, legal action shall be promptly initiated with the people's court. Until the people's court issues a judgment or ruling, such as rescinding the resolution, the parties involved shall implement the resolution of the shareholders' meeting, and no subject shall refuse to execute the content of the resolution on the ground that such resolution is invalid. The Company, its directors, and senior management shall diligently discharge their duties to ensure the normal operation of the Company.

Where the people's court makes a judgment or ruling on the relevant matter, the Company shall, in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the CSRC and the place where the Company's shares are listed, perform its information disclosure obligations, fully explain the impact, and actively cooperate in the execution of the judgment or ruling after it becomes effective. If the correction of previous matters is involved, the Company shall deal with it in a timely manner and fulfill the corresponding information disclosure obligations.

Where any director or senior management personnel violates the provisions of laws, administrative regulations or these Articles of Association, damaging the interests of shareholders, the shareholders may file a lawsuit with the people's court.

The shareholders of the Company shall undertake the following obligations:

(I) complying with laws, administrative regulations and these Articles of Association;

(II) making payment for shares subscribed for according to the number of shares subscribed for and the manners of subscription;

(III) not making divestment unless in the circumstances stipulated by laws and regulations;

(IV) not abusing shareholder's rights to harm the interests of the Company or other shareholders; not abusing the independent legal person status of the Company and shareholders' limited liability to harm the interests of the Company's creditors;

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

Shareholders of the Company who abuse shareholders' rights and cause damages to the Company and other shareholders shall be liable for compensation pursuant to the law.

Shareholders who abuse the independent legal person status of the Company and shareholders' limited liability to evade debts and severely infringe upon the interests of the Company's creditors shall assume joint and several liabilities for the Company's debts.

Controlling Shareholders and Actual Controllers

The controlling shareholders and actual controllers of the Company shall exercise their rights, perform their obligations and safeguard the interests of the Company in accordance with the laws, administrative regulations, the provisions of the CSRC and the Stock Exchange.

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

(I) to exercise shareholders' rights according to law, and not to abuse control rights or take advantage of connected relations to damage the legal rights and interests of the Company or other shareholders;

(II) to strictly perform the public statements and commitments made, and not to modify or exempt them without authorization;

(III) to perform information disclosure obligations in strict accordance with relevant regulations, actively cooperate with the Company in information disclosure, and timely inform the Company of major events that have occurred or are to occur;

(IV) not to occupy the Company's funds in any way;

(V) not to force, instigate or require the Company and relevant personnel to provide guarantee in violation of laws and regulations;

(VI) not to take advantage of unpublicized material information of the Company to seek benefits, not to disclose unpublicized material information related to the Company in any way, not to engage in insider trading, short-term trading, market manipulation and other illegal acts;

(VII) not to damage the legitimate rights and interests of the Company and other shareholders by any means such as unfair connected person transactions, profit distribution, asset reorganization, and foreign investment;

(VIII) to ensure the integrity of the Company's assets, personnel independence, financial independence, institutional independence and business independence, and not to affect the independence of the Company in any way;

(IX) other requirements of the laws and administrative regulations, the provisions of the CSRC, the securities regulatory authorities and the stock exchanges of the place where the Company's shares are listed, the business rules of the stock exchange, and these Articles of Association.

If the controlling shareholders or de facto controllers of the Company do not serve as directors of the Company but actually execute the affairs of the Company, the provisions of the Articles of Association on the duties of fidelity and diligence of the directors shall apply.

A controlling shareholder or de facto controller of the Company who instructs a director or senior management member to engage in an act detrimental to the interests of the Company or its shareholders shall be jointly and severally liable with such director or senior management member.

2. Shareholders' Meeting

General Provisions of the Shareholders' Meeting

The shareholders' meeting of the Company is composed of all shareholders. The shareholders' meeting is the organ of authority of the Company, and shall exercise the following functions and powers pursuant to the law:

(I) to elect and replace the directors who are not representatives of staff and to decide on the matters relating to the remuneration of directors;

(II) to deliberate and approve reports of the Board of Directors;

(III) to deliberate and approve the Company's profit distribution proposals and loss recovery proposals;

(IV) to resolve on any increase or reduction of the Company's registered capital;

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

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

(VII) to amend the Articles of Association;

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

(IX) to deliberate and approve the matters concerning the guarantee as specified in Article 48;

(X) to deliberate matters regarding the purchase or sale of material assets by the Company within one year that exceeds 30% of the latest audited total assets of the Company;

(XI) to deliberate and approve matters regarding the changes in the use of proceeds;

(XII) to deliberate equity incentive plans and employee stock ownership plans;

(XIII) to deliberate any other matter that should be decided on by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

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

Except as otherwise provided by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, the above powers and functions of the shareholders' meeting shall not be exercised by the Board or other institutions and individuals on behalf of the Board by way of authorization.

The following acts of external guarantee of the Company shall be reviewed and approved by the shareholders' meeting:

(I) any guarantee provided under the situation where the total amount of external guarantees provided by the Company and its controlling subsidiaries exceeds 50% of the latest audited net assets of the Company;

(II) any guarantee provided under the situation where the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;

(III) any guarantee provided under the situation where the amount of guarantee provided by the Company in one year exceeds 30% of the latest audited total assets of the Company;

(IV) guarantee offered to persons whose gearing ratio has exceeded 70%;

(V) a single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;

(VI) guarantees provided to shareholders, de facto controllers and their connected parties;

(VII) other guarantee situations that require approval by the shareholders' meeting as stipulated by laws, administrative regulations, rules, normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

The Company shall fulfill its obligation to disclose information on external guarantees in strict accordance with relevant regulations. If the Company's directors, senior management or other relevant personnel fail to review the Company's external guarantees in accordance with the prescribed approval authority or review procedures, causing losses to the Company, the Company shall hold such personnel accountable.

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

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

(I) the number of directors is less than the number required by the Company Law or less than two-thirds of the number stipulated in these Articles of Association;

(II) the outstanding losses of the Company amount to one-third of the Company's total paid-in share capital;

(III) Shareholders who individually or jointly hold more than 10% of the Company's shares request to do so;

(IV) the Board deems it necessary to convene the meeting;

(V) the Audit Committee proposes to convene the meeting;

(VI) other circumstances as stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Convening of shareholders' meeting

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 non-executive directors, independent non-executive directors have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. Where independent non-executive directors propose to convene an extraordinary shareholders' meeting, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association, issue a written reply on whether or not to approve the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

Where the Board of Directors agrees to convene the extraordinary shareholders' meeting, a notice on convening of the extraordinary shareholders' meeting shall be issued within 5 days after the resolution of the Board of Directors is made; where the Board of Directors does not agree to convene the extraordinary shareholders' meeting, reasons shall be specified and announcements shall be made.

If the securities regulatory authority of the place where the Company's shares are listed has provisions otherwise, such provisions shall prevail.

The Audit Committee is entitled to propose to the Board of Directors to convene an extraordinary shareholders' meeting and such proposal shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

When the Board of Directors agrees to convene the extraordinary shareholders' meeting, a notice on convening of the extraordinary shareholders' meeting shall be issued within 5 days after the resolution of the Board of Directors is made, and the changes made to the original proposal in the notice shall be approved by the Audit Committee.

When the Board of Directors disagrees to convene the extraordinary shareholders' meeting, or fails to reply within 10 days upon the receipt of the proposal, the Board of Directors shall be deemed as being unable to perform or failing to perform its duty to convene a shareholders' meeting, and the Audit Committee may convene and preside over such meeting on its own.

Shareholders severally or jointly holding more than 10% shares of the Company have the right to request the Board of Directors to convene an extraordinary shareholders' meeting and such request shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' meeting within 10 days upon the receipt of the proposal.

Where the Board of Directors gives consent for convening of an extraordinary shareholders' meeting, a notice on convening of the extraordinary shareholders' meeting shall be issued within 5 days after the resolution of the Board of Directors is made, and the changes made to the original request in the notice shall be approved by relevant shareholders.

Where the Board of Directors does not give consent for convening of an extraordinary shareholders' meeting or does not issue feedback within 10 days upon the receipt of the request, the shareholders holding 10% or more of the Company's shares separately or in aggregate shall have the right to propose to the Audit Committee on convening of an extraordinary shareholders' meeting and such proposal shall be made to the Audit Committee in writing.

Where the Audit Committee gives consent for convening a shareholders' meeting, a notice on convening of the shareholders' meeting shall be issued within 5 days upon the receipt of the request and the changes made to the original proposal in the notice shall be approved by relevant shareholders.

Where the Audit Committee fails to issue a notice of shareholders' meeting within the stipulated period, the Audit Committee shall be deemed as refusing to convene and chair the shareholders' meeting, and shareholders who hold 10% or more of the Company's shares individually or jointly for more than 90 consecutive days may proceed to convene and chair a shareholders' meeting on their own.

Proposal and Notification of Shareholders' Meeting

The content of the proposal shall fall within the scope of the shareholders' meeting's powers, include a clear agenda and specific matters for resolution, and comply with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's share are listed and these Articles of Association.

When the Company decides to convene a shareholders' meeting, the Board of Directors, the Audit Committee and shareholders severally or jointly holding 1% or more of the shares of the Company shall be entitled to put forward proposals to the Company.

The shareholders severally or jointly holding 1% or more of the shares of the Company may raise interim proposals and submit them in writing to the convener 10 days prior to the convening of the shareholders' meeting. The convener shall, within 2 days after the receipt of such proposals, issue a supplemental notice of the shareholders' meeting, announce the contents of the interim proposals, and submit them to the shareholders' meeting for deliberation. This does not apply to any interim proposal that violates laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the provisions of the Articles of Association, or that falls outside the scope of the powers of the shareholders' meeting. If, under the securities regulatory rules of the place where the Company's shares are listed, the shareholders' meeting must be postponed due to the issuance of a supplementary notice, the convening of the meeting shall be deferred in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Except as prescribed in the preceding paragraph, the convener, after issuing the notice and announcement of the shareholders' meeting, shall neither revise the proposals stated in the notice of shareholders' meetings nor add new proposals.

The shareholders' meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the shareholders' meeting or that is inconsistent with the Articles of Association.

The convener shall inform each shareholder of the Company by announcement 21 days before the annual shareholders' meeting, and shall inform each shareholder by announcement 15 days before the extraordinary shareholders' meeting.

The start time of the meeting in the notice does not include the date of the meeting.

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

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

(II) the matters and proposals to be discussed at the meeting;

(III) a prominent statement showing that all shareholders are entitled to attend the shareholders' meeting and appoint a proxy in writing to attend the meeting and vote on their behalf, and such proxy need not be a shareholder of the Company;

(IV) the shareholding registration date of shareholders entitled to attend the shareholders' meeting;

(V) the name and phone number of the contact person of the meeting;

(VI) time and procedures for voting through online or other means.

The notice and any supplementary notice of the shareholders' meeting shall include the contents stipulated in the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and shall fully and accurately disclose all specific details of all proposals. Where the opinions of an independent non-executive director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of shareholders' meetings are served.

If the shareholders' meeting is held online or by other means, the time and procedures for voting through online or other means shall be clearly stated in the notice of the shareholders' meeting.

Convening of shareholders' meetings

All shareholders whose names are recorded in the shareholder register on the record date, or their proxies, are entitled to attend the shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association (except those shareholders who are required to abstain from voting on specific matters in accordance with the securities regulatory rules of the place where the Company's shares are listed).

Where any shareholder is, under applicable laws and regulations and the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend the meeting and exercise their voting rights on their behalf. Each shareholder has the right to appoint one proxy, but the proxy does not need to be a shareholder of the Company. The proxy(ies) so appointed by the shareholder(s) may, pursuant to the authorization of the shareholder(s), exercise the following rights:

(I) the shareholders' right to speak at the shareholders' meeting;

(II) the right to demand a vote by ballot, either on their own or in conjunction with others;

(III) voting rights by a show of hands or by ballot, unless otherwise stipulated by laws, administrative regulations and the listing rules of the stock exchange where the Company's shares are listed, or other securities laws and regulations.

If an individual shareholder attends the meeting in person, he/she shall present his/her identity card or other valid certificates or documents that can prove his/her identity. If a proxy is appointed to attend the meeting on behalf of any shareholder, the proxy shall present his/her valid identity card and the power of attorney from the shareholder.

Corporate shareholders or other institutional shareholders shall be represented at the meeting by their legal representative/managing partner or a proxy authorized by the legal representative/managing partner. The legal representative/managing partner attending the meeting shall present his/her identity card or valid certificate bearing evidence of his/her qualifications as legal representative/managing partner; a proxy attending the meeting shall present his/her identity card and the written power of attorney lawfully issued by the legal representative/managing partner of the corporate shareholder/institutional shareholder.

If the shareholder is a Recognized Clearing House (or its nominee) as defined by the relevant ordinances enacted in Hong Kong from time to time, the said shareholder may authorize one or more persons as it thinks fit to act on its behalf at any shareholders' meeting; however, where more than one persons are so authorized, the power of attorney shall specify the numbers and classes of shares in respect of which each such person is so authorized, and shall be signed by the persons authorized by the Recognized Clearing House. The person so authorized may represent the Recognized Clearing House (or its nominee) to attend the meeting and exercise rights (including the right to speak and vote) (without needing to present a share certificate, notarized power of attorney and/or further evidence of due authorization) as if that person is an individual shareholder of the Company.

The power of attorney issued by a shareholder to appoint other persons to attend the shareholders' meeting shall contain the following information:

(I) name or title of the principal and the class and number of the Company's shares held by the principal;

(II) name or title of the proxy;

(III) specific instructions from the shareholder, including the instructions on whether to vote for or against or abstain from voting on each matter under consideration included in the agenda of the shareholders' meeting;

(IV) the date of issue and validity period of the power of attorney;

(V) signature (or seal) of the principal; if the principal is a corporate shareholder, the corporate seal shall be affixed.

Where the attendance of a director or senior management is requested by the shareholders' meeting, such director or senior management shall attend the meeting and answer enquiries of shareholders. Subject to the securities regulatory rules of the place where the Company's shares are listed, the aforementioned persons may attend or participate in the meeting via the Internet, video, telephone or other equivalent means.

The shareholders' meeting shall be presided over by the chairman. If the chairman is unable to perform his/her duties or fails to perform his/her duties, a director nominated by more than half of the directors shall preside over the meeting.

A shareholders' meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable to perform his/her duties or fails to perform his/her duties, one member of the Audit Committee jointly recommended by more than half of the Audit Committee members shall preside over the meeting.

For a shareholders' meeting convened by shareholders on their own, it shall be presided over by the convener or a representative recommended by the convener.

If, during a shareholders' meeting, the presider violates the rules of procedure, thus preventing the meeting from continuing, the meeting may, with the consent of a majority of the shareholders with voting rights present at the meeting, elect a person to serve as the presider and continue the meeting.

Voting and Resolutions of Shareholders' Meeting

Resolutions at the shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

Ordinary resolutions shall be passed by votes representing more than half of the voting rights held by shareholders (including proxies thereof) attending the shareholders' meeting.

Special resolutions shall be passed by votes representing more than two-thirds of voting rights held by shareholders (including proxies thereof) attending the shareholders' meeting.

The following matters shall be approved by ordinary resolutions at a shareholders' meeting:

(I) work reports of the Board of Directors;

(II) profit distribution plan and plan for covering losses formulated by the Board of Directors;

(III) appointment and dismissal of members of the Board of Directors, and their remuneration and the method of payment thereof;

(IV) matters other than those that shall be passed by a special resolution as stipulated by laws, administrative regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The following matters shall be approved by special resolutions at a shareholders' meeting:

(I) increase or decrease of the registered capital of the Company;

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

(III) amendments to these Articles of Association;

(IV) the amount of purchase, disposal of major assets or guarantee provided in one year exceeds 30% of the latest audited total assets of the Company;

(V) equity incentive plans;

(VI) other matters that should be approved by a special resolution as required by the laws, administrative regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or that are considered through an ordinary resolution of the shareholders' meeting to be of substantial impact on the Company and therefore need to be approved by a special resolution.

Shareholders (including their proxies) shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall have one vote, except for class shareholders.

When a shareholders' meeting deliberates on significant matters that have an impact on the interests of small and medium investors, the votes of small and medium investors shall be counted separately. The separate voting results shall be disclosed publicly in a timely manner.

No voting rights shall attach to the Company's shares held by the Company itself, and such shares shall not be counted in the total number of voting shares present at a shareholders' meeting.

If a shareholder purchase voting shares of the Company in violation of the provisions of Paragraphs 1 and 2 of Article 63 of the Securities Act, the shareholder shall not exercise voting rights on the shares exceeding the prescribed proportion within 36 months after the purchase, and the shares shall not be counted in the total number of voting shares present at the shareholders' meeting.

The Company's Board of Directors, independent non-executive Directors, shareholders holding 1% or more of the voting shares, or investor protection agencies established in accordance with laws, administrative regulations, or the regulations of the securities regulatory authority where the Company's shares are listed may publicly solicit shareholder voting rights. In the case of solicitation of voting rights of shareholders, sufficient disclosure of information such as specific voting intent shall be made to the shareholders whose voting rights are solicited. Solicitation of voting rights of shareholders in the form of compensation or disguised compensation is prohibited. Except under statutory conditions, the Company shall not set a minimum shareholding percentage limit on the solicitation of voting rights.

BOARD OF DIRECTORS

1. General Provisions for Directors

The Company's directors shall be natural persons. A person shall not serve as a director of the Company under the following circumstances:

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

(II) a person who has been convicted for criminal offense for corruption, bribery, encroachment of property, misappropriation of property or disruption of the socialist market economy order, or has been deprived of political rights due to a crime, and less than five years have elapsed since the completion of the execution of the penalty; or who has been declared on probation, and less than two years have elapsed since the expiration of the probation period;

(III) a director, factory director or manager of a company or enterprise undergoing bankruptcy liquidation and is personally liable for the bankruptcy of such company or enterprise, and less than three years have elapsed since the completion of the bankruptcy liquidation of the company or enterprise;

(IV) a person who serves as the legal representative of a company or an enterprise whose business license has been revoked or which was ordered to close down due to its violation of law, and who is personally liable for this, and less than three years have elapsed since such revocation of business license or close-down;

(V) an individual who has a large amount of debts remaining unpaid and who has been listed as a dishonest debtor by the People's Court;

(VI) a person who has been banned by the CSRC or the Hong Kong Stock Exchange from the securities market and the ban period has not expired;

(VII) a person who has been publicly identified by the securities regulatory authority or stock exchange where the Company's shares are listed as unsuitable to serve as a director or senior manager of a listed company, and the relevant period has not expired;

(VIII) such other matters as required by laws, administrative regulations or departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

Where a director is elected or designated in violation of the foregoing provisions, such election, designation or appointment shall be null and void. Where a director falls under any of the above circumstances during his/her term of office, the Company shall remove him/her from office and require him/her to cease performing his/her duties.

Directors who are not employee representatives shall be elected or replaced by the shareholders' meeting and may be removed by the shareholders' meeting before the expiry of their term of office. The Board of Directors shall include employee representatives of the Company. Employee representatives on the Board shall be democratically elected by the Company's employees through the employees' representative assembly, the general meeting of employees or other forms, and need not be submitted to the shareholders' meeting for deliberation. The term of office of each director shall not exceed three years, and upon expiry of the term, a director may be re-elected and re-appointed.

A director's term shall be calculated from the date he/she assumes office until the expiry of the term of the current Board of Directors. If a director's term expires but re-election is not made in a timely manner, the original director shall continue to perform his/her duties as a director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until a newly-elected director assumes office.

Any person appointed by the Board as a director to fill a casual vacancy or as an addition to the Board shall hold office only until the first annual general meeting of the Company after his/her appointment, at which meeting he/she shall be subject to election by the shareholders, and shall then be eligible for re-election.

A director may concurrently serve as a senior management; while the total number of directors who concurrently serve as senior management together with directors who are employee representatives shall not exceed one-half of the total number of directors of the Company.

The Company's Board of Directors shall have employee representative directors.

Directors shall comply with laws, administrative regulations and the Articles of Association, owe a fiduciary duty to the Company, take measures to avoid conflicts between their own interests and the Company's interests, and shall not use their powers to seek improper benefits.

Directors owe the following fiduciary duties to the Company:

(I) not to misappropriate the Company's property or embezzle the Company's funds;

(II) not to deposit Company funds into accounts opened in their own names or in the names of other individuals;

(III) not to make use of official powers to accept bribes or other illegal income;

(IV) not to enter into a contract or conduct a transaction with the Company directly or indirectly, without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through a resolution of the Board of Directors or the shareholders' meeting in accordance with the provisions of the Articles of Association;

(V) not to take advantage of official powers to seek business opportunities for themselves or others that should have otherwise been available to the Company, except when reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or when the Company, according to the laws, administrative regulations, or the provisions of the Articles of Association, cannot utilize such business opportunities;

(VI) not to operate for themselves or others any business similar to that of the Company, without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through a resolution of the shareholders' meeting;

(VII) not to pocket commissions on transactions between others and the Company for his/her own benefits;

(VIII) not to disclose the secrets of the Company without authorization;

(IX) not to make use of their connected relationship to compromise the interests of the Company;

(X) any other fiduciary obligations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Income derived by a director from violation of the aforesaid provisions shall belong to the Company; where the Company suffers losses thereto, the director shall be liable for compensation.

Immediate family members of directors and senior management, enterprises directly or indirectly controlled by directors, senior management or their immediate family members, and connected parties that are otherwise connected with directors and senior management, when entering into contracts or conducting transactions with the Company, are subject to the provisions of item (IV) above.

The directors shall comply with the laws, administrative regulations and the Articles of Association and shall diligently perform their obligations to the Company. In performing their obligations, they shall exercise the reasonable care that a manager should typically have for the best interests of the Company.

The directors shall diligently perform the following obligations to the Company:

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

(II) treating all shareholders equally;

(III) getting a timely grasp of the status of the Company's business operation and management;

(IV) signing a written confirmation opinion on the Company's periodic reports, and ensuring that the information disclosed by the Company is true, accurate and complete;

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

(VI) any other diligent obligations stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

2. Board of Directors

A Board shall be established by the Company. The Board of Directors shall consist of 10 directors, four of whom are independent non-executive directors. One of the independent non-executive directors who is ordinarily resident in Hong Kong shall assume office upon the listing of the Company's H Shares issued under its initial public offering on the Hong Kong Stock Exchange. The Board of Directors shall have one chairman who shall be elected by the Board of Directors with a majority of votes of all directors. At all times, the Board of Directors shall comprise more than one-third independent non-executive directors, with the total number of independent non-executive directors being no fewer than three. At least one of these independent non-executive directors must possess appropriate professional qualifications consistent with regulatory requirements, or possess appropriate accounting or related financial management expertise as stipulated by relevant regulatory requirements.

The Board shall exercise the following functions and powers:

(I) to convene the shareholders' meeting and submit work reports to the shareholders' meeting;

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

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

(IV) to formulate the Company's profit distribution plans and plans for making up losses;

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

(VI) to draw up plans for major acquisitions, repurchase of the Company's shares, or for the merger, division, dissolution, or change of the Company's form;

(VII) within the scope of authority granted by the shareholders' meeting, to decide on matters such as the Company's external investments, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted financial management, connected transactions, and external donations;

(VIII) to decide on the establishment of the Company's internal management structure;

(IX) to decide on the appointment or dismissal of the Company's General Manager, Secretary to the Board, and other senior management personnel, and to decide on their remuneration and matters of reward and penalty; based on the nomination of the General Manager, to decide on the appointment or dismissal of senior management personnel such as Deputy General Managers, Chief Financial Officer, and Deputy Chief Financial Officer, and to decide on their remuneration and matters of reward and penalty;

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

(XI) to formulate proposals for the amendment of these Articles of Association;

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

(XIII) to propose to the shareholders' meeting the appointment or replacement of the accounting firm engaged for the Company's audit;

(XIV) to listen to the work reports of the Company's General Manager and to review the work of the General Manager;

(XV) other powers and functions conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, these Articles of Association, or the shareholders' meeting.

Matters exceeding the scope of authority granted by the shareholders' meeting shall be submitted to the shareholders' meeting for deliberation.

3. Independent Non-executive Directors

Independent non-executive Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, conscientiously perform their duties, play the role of participation in decision-making, supervision and checks and balances, and professional consulting in the Board of Directors, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Independent non-executive Directors must remain independent. The following persons shall not serve as independent non-executive Directors:

(I) persons who hold positions in the Company or its subsidiaries and their spouses, parents, children and major social relations;

(II) natural person shareholders who directly or indirectly hold more than 1% of the issued shares of the Company or are among the top 10 shareholders of the Company and their spouses, parents and children;

(III) shareholders who directly or indirectly hold more than 5% of the issued shares of the Company or persons who hold positions in the top 5 shareholders of the Company and their spouses, parents and children;

(IV) persons who hold positions in subsidiaries of the controlling shareholders or actual controllers of the Company and their spouses, parents and children;

(V) persons who have major business dealings with the Company and its controlling shareholders or actual controllers or their respective subsidiaries, or persons who hold positions in the entities with major business dealings and their controlling shareholders or actual controllers;

(VI) persons who provide financial, legal, consulting, sponsorship and other services for the Company and its controlling shareholders, actual controllers or their respective subsidiaries, including but not limited to all the project team members of the intermediary agencies providing services, review persons at all levels, persons signing reports, partners, directors, senior executives and principal persons in charge;

(VII) persons who have had any of the circumstances listed in items 1 to 6 within the last 12 months;

(VIII) other persons who are not independent as stipulated by laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The affiliated enterprises of the Company's controlling shareholders or actual controllers referred to in items 4 to 6 of the preceding paragraph do not include enterprises that are controlled by the same state-owned assets management agency as the Company and do not constitute a related relationship with the Company in accordance with relevant regulations.

Independent non-executive directors shall conduct annual self-assessments of their independence and submit the results to the Board of Directors. The Board of Directors shall annually assess the independence of incumbent independent non-executive directors and issue a specific opinion, which shall be disclosed together with the annual report.

An independent non-executive director of the Company shall:

(I) be qualified as a director of listed companies in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the stock exchange where the Company's shares are listed;

(II) comply with the independence requirements stipulated in these Articles of Association and the securities regulatory rules of the place where the Company's shares are listed;

(III) possess basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations and rules;

(IV) possess more than five years of working experience in law, accounting or economics, which is necessary for performing the duties of an independent non-executive director;

(V) have good personal character and no bad record of major dishonesty or other records;

(VI) comply with any other conditions stipulated by laws, administrative regulations, Hong Kong Listing Rules and other securities regulatory rules of the place where the securities of the Company are listed and the Articles of Association.

4. Special Committees of the Board

The Company's Board of Directors shall establish the Audit Committee to exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law.

The Audit Committee consists of three members to be elected by the Board of Directors, all of whom shall be directors not holding senior management positions in the Company, including two independent non-executive directors, and the convener is an accounting professional among the independent non-executive directors. Employee representatives among the members of the Board of Directors may serve as members of the Audit Committee.

The Audit Committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external audit work and internal controls. The following matters shall be submitted to the Board of Directors for review upon approval by a majority of all Audit Committee members:

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

(II) hiring or dismissing the accounting firm that undertakes the audit for the Company;

(III) appointment or dismissal of any financial officer of the Company;

(IV) making changes to accounting policies, accounting estimates, or correcting significant accounting errors due to reasons other than changes in accounting standards;

(V) other matters as stipulated by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Company's Board of Directors shall establish the Nomination Committee, the Remuneration and Appraisal Committee, the Strategy Committee, and other special committees. The committees shall perform their duties in accordance with these Articles of Association and the authorizations of the Board of Directors. Proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. The Board of Directors shall be responsible for formulating the working procedures of the special committees.

SENIOR MANAGEMENT

The Company shall have one manager to be appointed or dismissed by the Board of Directors. The position of "General Manager" is established, with powers equivalent to those of a manager.

The Company shall have certain deputy general managers to be appointed or dismissed by the Board of Directors.

The Company's General Manager, Deputy General Manager, Chief Financial Officer, Secretary to the Board of Directors, Deputy Chief Financial Officer and other persons expressly appointed by the Board of Directors as senior management of the Company shall be the Company's senior executives.

The general manager shall be accountable to the Board and exercise the following functions and powers:

(I) presiding over production and operation management of the Company, organizing implementation of Board resolutions and reporting to the Board of Directors on his/her work;

(II) organizing the implementation of the Company's annual business plans and investment plans;

(III) formulating plans for the establishment of internal management organizations of the Company;

(IV) formulating basic management rules of the Company;

(V) formulating specific rules and regulations of the Company;

(VI) proposing the appointment or dismissal of the Company's Vice General Manager(s), Chief Financial Officer and Deputy Chief Financial Officer;

(VII) deciding to appoint or dismiss management personnel (other than those required to be appointed or dismissed by the Board of Directors);

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

The general manager shall attend meetings of the Board of Directors without voting rights.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

1. Financial Accounting System

The Company shall prepare its annual financial accounting report within four months from the end of each fiscal year and its interim financial accounting report within two months from the end of the first six months of each fiscal year.

The above financial accounting reports shall be prepared and announced in accordance with relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

The Company shall have no accounting books other than the statutory accounting books. The Company's assets shall not be deposited in any account opened in the name of any individual.

When distributing after-tax profits for the current year, the Company shall withdraw 10% of the profits as its statutory common reserve fund. Such withdrawal may be stopped when the statutory common reserve fund of the Company has accumulated to over 50% of the registered capital of the Company.

When the Company's statutory common reserve fund is not sufficient to make up for its losses of the previous years, current year profits shall be used to make up for the losses before allocations are set aside for the statutory common reserve fund according to the preceding paragraph.

After allocation of the statutory common reserve fund from after-tax profits, the Company may, upon a resolution passed at the shareholders' meeting, allocate discretionary common reserve fund from after-tax profits.

After the Company has made up for its losses and made allocations to its common reserve fund, the remaining after-tax profits could be available for distribution to shareholder in proportion to their shareholding unless otherwise specified in the Articles of Association.

If the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the profits thus distributed shall be returned to the Company. If losses are caused to the Company, the shareholders as well as the liable directors and senior management members shall bear the liability for compensation.

No profits shall be distributed in respect of the Company's Shares held by the Company.

The common reserve fund of the Company shall be used to make up for the losses, enhance the operating scale or increase the capital of the Company.

Losses incurred by the Company shall be offset by using discretionary common reserve fund and statutory common reserve fund first. If losses cannot be fully covered, the capital reserve fund may be applied in accordance with prescribed regulations.

Upon conversion of the statutory common reserve fund into registered capital, the balance of the fund shall not be less than 25% of the registered capital of the Company before such conversion.

2. Internal Audit

The Company shall implement an internal audit system that clearly defines the leadership structure, responsibilities and authorities, staffing arrangements, funding support, application of audit results, and accountability mechanisms for internal audit work.

The Company's internal audit department supervises and inspects the Company's business activities, risk management, internal controls, financial information and other matters.

3. Appointment of Accounting Firm

The Company shall appoint an accounting firm that complies with the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed to audit its accounting statements, verify its net assets and provide other relevant advisory services. The term of the audit firm appointed by the Company shall be one year, and can be renewed.

The appointment and dismissal of accounting firms by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the decision is made by the shareholders' meeting.

The Company shall undertake that the accounting vouchers, accounting books, financial accounting reports and any other accounting materials provided to the accounting firm are true and complete and shall not refuse to provide or conceal such information, or provide false information.

The audit fee payable to an accounting firm shall be decided upon by the shareholders' meeting.

When the Company dismisses or does not reappoint an accounting firm, it shall notify the accounting firm 20 days in advance and also send the shareholders, at least 10 business days before the shareholders' meeting, a circular proposing the dismissal or non-reappointment of the accounting firm, along with any written representations the accounting firm may have provided. The accounting firm shall be granted the opportunity to make a statement at the shareholders' meeting when the shareholders vote on the dismissal of the accounting firm.

If an accounting firm resigns from its position, it shall make representations at a shareholders' meeting on whether there has been any impropriety on the part of the Company.

NOTICES AND ANNOUNCEMENTS

1. Notices

A notice of the Company shall be sent by the following means:

(I) by personal delivery;

(II) by mail;

(III) by announcement;

(IV) by fax;

(V) by email;

(VI) by telephone;

(VII) by posting on the websites designated by the Company and the Hong Kong Stock Exchange, subject to laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed;

(VIII) by other means approved by the securities regulatory authority of the place where the Company's shares are listed or as specified in the Articles of Association.

With respect to the means by which the Company provides or sends corporate communications to holders of H Shares in accordance with the Hong Kong Listing Rules, and subject to compliance with the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, the Company may provide or send corporate communications to holders of H Shares via the website designated by the Company and/or the website of Hong Kong Stock Exchange, or by electronic means.

2. Announcement

The Company shall establish an information disclosure system in accordance with laws, regulations, rules, and the relevant provisions of the securities regulatory authority of the place where the Company's shares are listed, and shall disclose information in a standardized manner in accordance with the principles of truthfulness, accuracy, completeness, comparability and timeliness.

The Company shall issue announcements and disclose information to shareholders through newspapers and websites for information disclosure designated or recognized by laws, administrative regulations, relevant domestic regulatory authorities or the stock exchange where the Company's shares are listed.

MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL, DISSOLUTION AND LIQUIDATION

1. Merger, Division, Increase and Decrease of Capital

Merger of the company may take the form of absorption or the establishment of a new company.

Merger by absorption occurs when one company absorbs another company, with the absorbed company being dissolved. Merger by establishment of a new company occurs when two or more companies merge to form a new company, with all merging parties being dissolved.

Where the consideration for the merger does not exceed 10% of the net assets of the company, no resolution of the shareholders' meeting shall be required, unless otherwise provided in the Articles of Association.

If a merger of the company pursuant to the preceding paragraph is not subject to a resolution of the shareholders' meeting, it shall be approved by a resolution of the Board of Directors.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days from the date on which it resolves the merger, and shall make a public announcement within 30 days in the newspapers designated by the Company and recognized by the China Securities Regulatory Commission and the stock exchange where the Company's shares are listed, or on the National Enterprise Credit Information Publicity System, as well as on the HKEXnews website of the Hong Kong Stock Exchange (**www.hkexnews.hk**).

Creditors shall have the right to require the company to settle its debts or provide corresponding guarantees within 30 days from the date of receiving the notice, or, if no notice has been received, within 45 days from the date of the announcement. Where the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall also be complied with.

In the case of a merger, the claims and debts of all parties to the merger shall be assumed by the company surviving the merger or the newly established company.

Where the Company is divided, its properties shall be apportioned accordingly.

In the case of a division, a balance sheet and an inventory of assets shall be prepared. The company shall notify the creditors within 10 days from the date on which it resolves the division, and shall make a public announcement within 30 days in the newspapers designated by the Company and recognized by the China Securities Regulatory Commission and the stock exchange where the Company's shares are listed, or on the National Enterprise Credit Information Publicity System, as well as on the HKEXnews website of the Hong Kong Stock Exchange (**www.hkexnews.hk**).

Debts incurred prior to the division of the Company shall be borne jointly and severally by the companies after the division, unless otherwise agreed in writing between the company and the creditors before the division regarding the settlement of such debts.

Where the company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.

The company shall notify the creditors within 10 days from the date the shareholders' meeting adopts a resolution to reduce the registered capital, and shall make a public announcement within 30 days in the newspapers designated by the Company and recognized by the China Securities Regulatory Commission and the stock exchange where the Company's shares are listed, or on the National Enterprise Credit Information Publicity System, as well as on the HKEXnews website of the Hong Kong Stock Exchange (**www.hkexnews.hk**). Creditors shall have the right to require the company to settle its debts or provide corresponding guarantees within 30 days from the date of receiving the notice, or, if no notice has been received, within 45 days from the date of the announcement.

Where reducing the registered capital, the Company shall reduce the amount of capital contribution or the number of shares proportionately to the shareholdings of the shareholders, unless otherwise provided by laws or the Articles of Association.

When the company issues new shares to increase its registered capital, the shareholders shall not have a pre-emptive subscription right, unless otherwise provided in the Articles of Association or determined by resolution of the shareholders' meeting that the shareholders shall have a pre-emptive subscription right.

Any increase or decrease in the registered capital of the company shall be subject to modification registration with the company registration authority in accordance with the laws.

2 Dissolution and Liquidation

The Company shall be dissolved in the event that:

(I) the business term stipulated in the Articles of Association expires, or any other cause for dissolution as specified in the Articles of Association occurs;

(II) the shareholders' meeting resolves to dissolve the Company;

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

(IV) the Company's business license is revoked, or the Company is ordered to close down or rescind in accordance with the law;

(V) adverse difficulties arise in the Company's operation or management and its continued existence would cause significant losses to shareholders, and the issue cannot be resolved through any other means, in which case a shareholder holding more than 10% of the total voting rights of the Company could request the People's Court to dissolve the Company.

Where a dissolution event specified in the preceding paragraph occurs, the Company should publicize such event via the National Enterprise Credit Information Publicity System within 10 days.

If the Company falls under circumstances (I) or (II) above and its assets have not yet been distributed to the shareholders, the Company may continue its existence either by amending these Articles of Association or adopting a resolution at the shareholders' meeting.

The amendment to the Articles of Association as described in the preceding paragraph shall require approval by more than two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

Where the Company is dissolved under circumstances (I), (II), (IV) or (V) above, it shall be liquidated. Directors shall serve as the liquidation obligors who must form a liquidation group within 15 days from the occurrence of the dissolution event.

The liquidation group shall consist of directors, unless otherwise provided in the Articles of Association or the shareholders' meeting resolves to appoint other persons.

Liquidation obligors failing to perform obligations timely, thereby causing losses to the Company or the creditors, shall be liable for damages.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Under any of the following circumstances, the Company shall amend the Articles of Association:

(I) where provisions of the Articles of Association contravene newly amended Company Law, relevant laws and administrative regulations, Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed.

(II) the Company's circumstances have changed so that they are inconsistent with the matters recorded in the Articles of Association;

(III) where a resolution is passed at the shareholders' meeting to amend these Articles of Association.

Where any amendment to the Articles of Association adopted by a resolution of the shareholders' meeting is subject to approval by the competent authority, such approval must be obtained. Amendments involving registered particulars shall undergo change registration in accordance with the law.