This Appendix sets out a summary of the principal provisions of the Articles of Association (Draft) of the Company approved at the Company's second extraordinary general meeting in 2025, which shall take effect from the date of **[REDACTED]** of the H Shares on The Stock Exchange of Hong Kong Limited. The primary purpose of this Appendix is to provide **[REDACTED]** with an overview of the Articles of Association and does not contain all information that may be material to **[REDACTED]**.

1. ISSUE OF SHARES

The shares of the Company shall take the form of registered share certificates.

Shares of the Company shall be issued on the principles of openness, fairness and impartiality. Each share of the same class shall carry the same rights. For shares of the same class issued at the same time, the terms and conditions of issue and the price per share shall be the same and each share subscribed shall be paid at the same price.

The H Shares issued by the Company (shares issued by the Company and listed on the Hong Kong Stock Exchange are referred to as H Shares) and unlisted shares (shares issued by the Company but not listed on any securities exchange in the PRC or overseas are referred to as unlisted shares) shall enjoy the same rights in any distribution made in the form of dividend or otherwise. No power shall be exercised to freeze or otherwise impair any rights attaching to any share by reason only that the person or persons who are directly or indirectly interested therein have failed to disclose their interests to the Company.

All shares issued by the Company shall have a par value, with each share having a par value of RMB1 and denominated in Renminbi.

Holders of unlisted shares and shareholders of H Shares shall both be ordinary shareholders.

2. INCREASE, REDUCTION AND REPURCHASE OF SHARE CAPITAL

(1) Increase and Reduction of Shares

According to the needs of its business operations and development and subject to the provisions of applicable laws and regulations and upon separate resolutions of the general meeting, the Company may increase its share capital by the following means:

i. offering of shares to non-specific targets;

ii. offering of shares to specific targets;

iii. issuing bonus shares to existing shareholders;

iv. converting capital reserve into share capital;

v. other means as prescribed by laws, administrative regulations, the Hong Kong Listing Rules and approved by the CSRC and other relevant regulatory authorities.

If the Company issues new shares through a capital increase, following approval in accordance with the Articles of Association and the Hong Kong Listing Rules, the procedures shall be handled in accordance with applicable national laws, administrative regulations, the Articles of Association, the Hong Kong Listing Rules and other relevant provisions.

The Company may reduce its registered capital. Any reduction of registered capital by the Company shall be carried out in accordance with the procedures stipulated in the Company Law, the Hong Kong Listing Rules and other relevant regulations and the Articles of Association.

The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.

(2) Share Repurchase

Subject to compliance with applicable laws, regulations, the Hong Kong Listing Rules and the Articles of Association, the Company may repurchase its shares in the following circumstances in accordance with applicable laws, administrative regulations, departmental rules and the Articles of Association:

i. to reduce the Company's registered capital;

ii. to merge with another company holding shares of the Company;

iii. to use the shares for employee share ownership plans or equity incentive;

iv. to repurchase shares upon the request of shareholders objecting to the resolutions adopted at the general meeting concerning merger or division of the Company;

v. to use the shares for conversion of convertible corporate bonds issued by the Company;

vi. where necessary to safeguard the value of the Company and the interests of shareholders;

vii. other circumstances permitted by laws, administrative regulations, the Hong Kong Listing Rules and other relevant provisions.

The Company may repurchase its shares through public centralized trading or other means approved by applicable laws, administrative regulations, the CSRC and the securities regulatory authorities of the place where the Company's shares are listed.

Where the Company repurchases its shares under circumstances set out in items (3), (5) and (6) of the first paragraph of Article 25 of the Articles of Association, such repurchase shall be conducted through public centralized trading and in compliance with relevant provisions of applicable laws and regulations, the CSRC and the Hong Kong securities regulatory authorities.

Where the Company repurchases its shares under circumstances set out in items i and ii above, a resolution of the general meeting shall be required; where the Company repurchases its shares under circumstances set out in items iii, v and vi above, such repurchase may be approved by a resolution of the Board of Directors attended by more than two-thirds of the directors, in accordance with the provisions of the Articles of Association or the authorization of the general meeting.

After the shares are acquired by the Company pursuant to the laws, the Company shall cancel/transfer such shares within the period prescribed by laws, administrative regulations and the Hong Kong Listing Rules and shall apply to the original company registration authority for registration of the change in registered capital.

3. TRANSFER OF SHARES

Unless otherwise stipulated in the laws, administrative regulations or the Hong Kong Listing Rules, paid-up shares of the Company may be freely transferred and shall not be subject to any lien. Shares of the Company may be gifted, inherited or pledged in accordance with applicable laws, administrative regulations and the Articles of Association.

The Company shall not accept its shares as the subject of a pledge.

Shares issued by the Company before its public offering shall not be transferable within one year from the date on which the Company's shares are listed and traded on the stock exchange.

Directors and senior management of the Company shall report to the Company their shareholdings in the Company and any changes thereto. During their term of office as determined at the time of appointment, shares transferred annually shall not exceed 25% of the total number of shares of the Company held by them. Shares of the Company held by such persons shall not be transferable within one year from the date on which the Company's shares are listed and traded. Such persons shall not transfer their shares in the Company within six months after leaving office.

Where laws, administrative regulations or Hong Kong securities regulatory authorities have additional provisions on restrictions on share transfers, such provisions shall prevail.

The restrictions on the trading of shares by shareholders holding 5% or more of the Company's shares, directors, senior management and their spouses, parents and children shall comply with relevant laws, administrative regulations and the provisions of Hong Kong securities regulatory authorities.

4. SHAREHOLDERS

The Company shall establish a register of shareholders based on evidence provided by the securities registration authority. The register of shareholders shall be prima facie evidence of shareholding in the Company. Shareholders shall enjoy rights and assume obligations according to the class and number of shares held; holders of shares of the same class shall enjoy the same rights and assume the same obligations. The register of shareholders of the H shares shall be maintained in Hong Kong and be available for inspection by shareholders, but the Company may close the register of shareholders in accordance with the equivalent provisions of Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or other applicable provisions.

When the Company convenes a general meeting, distributes dividends, carries out liquidation or engages in other actions that require confirmation of shareholder identity, the Board of Directors or the convener of the general meeting shall determine the record date. Shareholders registered on the register after the close of trading on the record date shall be entitled to the relevant rights and interests.

Shareholders of the Company shall have the following rights:

i. to receive dividends and other distributions in proportion to the number of shares held;

ii. to lawfully request, convene, preside over, attend or appoint proxies to attend general meetings, speak at general meetings and exercise corresponding voting rights (except where voting rights must be abstained in respect of particular matters in accordance with the securities regulatory rules of the place where the Company's shares are listed);

iii. to supervise the Company's operations and make recommendations or enquiries;

iv. to transfer, gift or pledge their shares in accordance with applicable laws, administrative regulations and the Articles of Association;

v. to inspect and copy the Articles of Association, the register of shareholders, minutes of general meetings, resolutions of the Board of Directors and financial and accounting reports. A qualified shareholder may inspect the Company's accounting books and accounting vouchers. Subject to compliance with applicable laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed, the Company may refuse to provide access where the materials to be inspected and reproduced involve the Company's trade secrets, inside information or personal privacy of relevant persons;

vi. to participate in the distribution of the Company's residual assets in proportion to their shareholding upon termination or liquidation of the Company;

vii. to request the Company to repurchase the shares of shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company;

viii. other rights as stipulated by laws, administrative regulations, departmental rules, normative documents, the listing regulatory rules of the place where the Company's shares are listed or the Articles of Association.

A shareholder requesting for inspection of the aforementioned information or access to materials shall provide the Company with written documents evidencing the class and number of shares held and specify the purpose. The Company will provide the said information as required by the said shareholders upon verification.

If the content of a resolution of the general meeting or the Board of Directors contravenes applicable laws or administrative regulations, shareholders are entitled to petition to the people's court to invalidate the resolution.

If the convening procedures or voting methods of a general meeting or Board meeting contravene applicable laws, administrative regulations or the Articles of Association, or the content of a resolution contravenes the Articles of Association, shareholders shall be entitled to submit a petition to the people's court to rescind such resolution within 60 days from the date the resolution is passed. However, this shall not apply where the convening procedures or voting methods of a general meeting or Board meeting have only minor defects that do not materially affect the resolution.

If a director or senior management (other than a member of the Audit Committee) breaches applicable laws, administrative regulations or the Articles of Association in performing their duties for the Company, thereby causing loss to the Company, shareholders who individually or jointly hold 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request the Audit Committee in writing to initiate legal proceedings in a people's court. If a member of the Audit Committee breaches applicable laws, administrative regulations or the Articles of Association in performing their duties for the Company, thereby causing loss to the Company, such shareholders may request the Board of Directors in writing to initiate legal proceedings in a people's court.

If the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receipt of a written request from shareholders as stipulated in the preceding paragraph, or fails to initiate legal proceedings within 30 days from receipt of such request, or urgent circumstances where failure to immediately initiate legal proceedings would cause irreparable damage to the Company's interests, the shareholders stipulated in the preceding paragraph shall have the right to directly initiate legal proceedings in a people's court in their own name in the interests of the Company.

If any person infringes the legitimate rights and interests of the Company and causes losses to the Company, the shareholders as specified in the first paragraph of this Article may initiate legal proceedings at the people's court in accordance with the two preceding paragraphs.

The shareholders of the Company shall assume the following obligations:

i. to comply with applicable laws, administrative regulations and the Articles of Association;

ii. to pay share subscription monies according to the shares subscribed and the method of capital contribution;

iii. not to withdraw their capital contribution except in circumstances prescribed by applicable laws and administrative regulations;

iv. not to abuse shareholder rights to the detriment of the Company or other shareholders and not to abuse the independent legal person status of the Company and the limited liability of shareholders to the detriment of the Company's creditors;

v. other obligations as prescribed by applicable laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.

If a shareholder of the Company abuses shareholder rights and causes loss to the Company or other shareholders, they shall bear liability for damages in accordance with law. If a shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously damages the interests of the Company's creditors, they shall bear joint and several liability for the Company's debts.

A shareholder holding 5% or more of the voting shares of the Company who pledges the shares held shall make a written report to the Company from the date of such occurrence.

The controlling shareholder and de facto controller of the Company shall not use their connected relationships to the detriment of the Company's interests and shall be held liable for compensation if they cause any loss to the Company in violation of the preceding provisions.

The controlling shareholder and de facto controller of the Company shall bear the fiduciary duties to the Company and other shareholders of the Company. The controlling shareholder shall exercise his/her rights as an investor strictly according to laws. The controlling shareholder shall not use profit distribution, asset restructuring, external investment, capital occupation, loan guarantees or other means to damage the lawful rights and interests of the Company and other shareholders and shall not use their controlling position to harm the interests of the Company and other shareholders.

The Company shall not provide the shareholders or de facto controllers with funds, commodities, services or other assets gratis or on manifestly unfair terms; shall not provide funds, commodities, services or other assets to the shareholders or de facto controllers who are noticeably unable to make repayment; shall not provide guarantee to the shareholders or de facto controllers who are noticeably unable to make repayment or provide guarantee to the shareholders or de facto controllers without justifiable reasons; shall not, without justifiable reasons, relinquish creditor's rights against the shareholders or de facto controllers or assume debts of the shareholders or de facto controllers; shall not provide any financial assistance in the form of gifts, advances, guarantees, compensation or loans to persons who are purchasing or intend to purchase shares of the Company. Transactions between the Company and the shareholders or de facto controllers regarding the provision of funds, commodities, services or other assets shall be subject to the deliberative procedures of the Board and the general meeting in strict accordance with the laws, regulations, Hong Kong Listing Rules and the provisions of the Articles of Association relating to connected transactions.

5. GENERAL PROVISIONS FOR GENERAL MEETING

The general meeting is the organ of authority of the Company and shall exercise the following functions and powers according to law:

i. to elect and replace directors not represented by employee representatives and to determine matters relating to the remuneration of directors;

ii. to consider and approve reports of the Board of Directors;

iii. to consider and approve the Company's profit distribution plans and loss recovery plans;

iv. to resolve on increases or reductions in the Company's registered capital;

v. to resolve on the issuance of corporate bonds by the Company;

vi. to resolve on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;

vii. to amend the Articles of Association;

viii. to resolve on the engagement and dismissal of accounting firms by the Company;

ix. to consider and approve guarantee matters stipulated in Article 42 of the Articles of Association;

x. to consider and approve matters where the Company purchases or sells material assets exceeding 30% of the Company's total assets as audited in the latest period within one year;

xi. to consider and approve changes in the use of proceeds from fundraising;

xii. to consider and approve connected transactions, external investments, asset pledges, external financing and external donations that are required to be approved by the general meeting under the Hong Kong listing regulatory rules;

xiii. to consider equity incentive schemes and employee share ownership plans;

xiv. to consider other matters that shall be determined by the general meeting as prescribed by applicable laws, administrative regulations, departmental rules, normative documents, the Articles of Association or the Hong Kong Listing Rules.

The above-mentioned functions and powers of general meeting shall not be exercised by the Board or other institutions and individuals by way of authorization.

The following external guarantee acts of the Company shall be considered and approved by the general meeting:

i. any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;

ii. guarantees provided for parties whose asset-liability ratio exceeds 70%;

iii. any single guarantee amount exceeding 10% of the latest audited net assets;

iv. the total guarantee amount provided by the Company within twelve consecutive months exceeding 30% of the latest audited total assets of the Company;

v. any guarantee provided after the total amount of external guarantees of the Company exceeds 30% of the latest audited total assets;

vi. guarantees provided to shareholders, de facto controllers and their connected parties;

vii. other guarantee circumstances as stipulated in the Hong Kong Listing Rules or the Articles of Association.

The aforementioned external guarantee matters requiring approval by the general meeting must be submitted to the general meeting for approval only after being considered and approved by the Board.

When the general meeting considers the guarantee matter under item iv of the preceding paragraph, it shall be passed by more than two-thirds of the voting rights represented by the shareholders present at the meeting.

When the general meeting considers a proposal to provide a guarantee to a shareholder, de facto controller or their connected person, such shareholder or the shareholder controlled by such de facto controller shall not participate in the vote on such proposal. Such proposal shall be passed by more than half of the voting rights represented by the other shareholders present at the general meeting.

If a director or senior management violates the provisions of laws, administrative regulations or the Articles of Association regarding the approval authority and deliberation procedures for external guarantee matters, causing losses to the Company, he/she shall be liable for compensation and the Company may initiate legal proceedings against him/her in accordance with the law.

The Company shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following circumstances:

i. the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the Articles of Association;

ii. when the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;

iii. when requested by shareholders individually or jointly holding 10% or more of the Company's shares;

iv. when deemed necessary by the Board of Directors;

v. when proposed by the Audit Committee;

vi. other circumstances as prescribed by applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

If the extraordinary general meeting is convened in accordance with the securities regulatory rules of the place where the Company's shares are listed, the actual date of the extraordinary general meeting may be adjusted according to the approval progress of the stock exchange where the Company's shares are listed (if applicable).

The venue of a general meeting of the Company shall be the domicile of the Company or any other location specified in the meeting notice.

The general meeting shall have a meeting venue and will take place in the form of an on-site meeting. Where necessary, the Company may also provide network voting and electronic communication methods to facilitate shareholders' participation in the general meeting. Shareholders participating in the general meeting through the above methods shall be deemed present.

6. SUMMONING OF GENERAL MEETINGS

With the approval by the majority of all independent directors, independent non-executive directors shall have the right to propose to the Board of Directors the convening of an extraordinary general meeting. In respect of a proposal by independent non-executive directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with applicable laws, administrative regulations and the Articles of Association, provide written feedback within 10 days of receipt of the proposal, indicating whether it agrees or disagrees to convene the extraordinary general meeting.

If the Board of Directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within 5 days after the resolution is made by the Board of Directors; if the Board of Directors does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

Where the Hong Kong securities regulatory authorities have additional provisions, such provisions shall prevail.

The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting and shall put forward its proposal to the Board of Directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, departmental rules, regulatory documents, the Hong Kong Listing Rules and the Articles of Association, give a written reply on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

If the Audit Committee agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board of Directors is passed. Any changes to the original proposal made in the notice shall be approved by the Audit Committee.

If the Board of Directors does not agree to convene the extraordinary general meeting or fails to give a reply within 10 days after receiving the proposal, the Board of Directors shall be deemed to be unable or fail to perform the duty of convening the general meeting and the Audit Committee may summon and preside over the meeting on its own.

Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting and shall submit such request to the Board of Directors in writing. The Board of Directors shall, in accordance with applicable laws, administrative regulations and the Articles of Association, provide written feedback within 10 days of receipt of the request, indicating whether it agrees or disagrees to convene the extraordinary general meeting and shall not unreasonably delay or obstruct the request.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days after the resolution of the Board of Directors is passed. Any change to the original proposal made in the notice shall be approved by the relevant shareholders.

If the Board of Directors does not agree to convene an extraordinary general meeting or does not reply within 10 days after receiving the request, the shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to propose to the Audit Committee to convene an extraordinary general meeting and such proposal shall be made in writing.

If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after receiving the request. Any changes to the original proposal in the notice shall be approved by the relevant shareholders.

If the Audit Committee fails to issue the notice of the general meeting within the prescribed period, it shall be deemed that the Audit Committee will not convene and preside over the general meeting and shareholders individually or jointly holding 10% or more of the Company's shares for more than 90 consecutive days may summon and preside over the meeting on their own.

Where the Audit Committee or shareholders decide to convene a general meeting on their own, they shall notify the Board of Directors in writing and shall simultaneously take corresponding actions in accordance with the requirements and regulations of Hong Kong listing regulatory rules. Before announcing the resolutions of the general meeting, the convening shareholders should not hold less than 10% of the shares. The Audit Committee or the convening shareholders shall, when issuing the notice of the general meeting and the announcement of the general meeting resolutions, take corresponding actions in accordance with the Hong Kong listing regulatory requirements and regulations.

In respect of a general meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the secretary to the Board of Directors shall provide cooperation. The Board of Directors shall provide the register of shareholders on the record date.

If the Audit Committee or shareholders convene a general meeting on their own, the expenses necessary for the meeting shall be borne by the Company.

7. PROPOSALS AND NOTICE OF GENERAL MEETINGS

The contents of the proposals shall fall within the functions and powers of the general meeting, shall have clear topics and specific matters to be resolved and shall comply with relevant requirements of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.

When the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholders individually or jointly holding more than 1% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Company's shares may put forward an interim proposal and submit it in writing to the convener within the time limit prescribed in the Hong Kong Listing Rules prior to the general meeting. The convener shall issue a supplementary notice of the general meeting in accordance with the Hong Kong Listing Rules after receiving the proposal to announce the contents of the interim proposal and submit such proposal to the general meeting for consideration. However, this shall not apply where the special proposal contravenes applicable laws and regulations, the Hong Kong Listing Rules, the Articles of Association or other provisions, or does not fall within the scope of authority of the general meeting.

Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the general meeting or add any new proposals after issuing the notice of the general meeting.

Proposals not listed in the notice of the general meeting or not in compliance with Article 53 of the Articles of Association shall not be voted upon or resolved at the general meeting.

The notice of a general meeting (including the supplementary notice) shall be issued in accordance with the requirements of relevant laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

Subject to compliance with relevant provisions of applicable laws and administrative regulations and the Hong Kong listing regulatory rules, when the Company convenes an annual general meeting, it shall notify all shareholders in writing (including by way of announcement) 20 days prior to the date of the meeting. When convening an extraordinary general meeting, it shall notify all shareholders in writing (including by way of announcement) 15 days prior to the date of the meeting.

The notice of a general meeting shall include the following:

i. the time, venue and duration of the meeting;

ii. matters and proposals to be submitted to the meeting for consideration;

iii. a conspicuous statement that all shareholders are entitled to attend the general meeting and may appoint proxies in writing to attend the meeting and participate in voting and that such proxies need not be shareholders of the Company;

iv. the record date for shareholders entitled to attend the general meeting;

v. the name and telephone number of the permanent contact person for meeting affairs;

vi. the voting time and voting procedures for other voting methods;

vii. other matters as prescribed by applicable laws, administrative regulations, normative documents and the Hong Kong Listing Rules.

The notice and supplemental notice of a general meeting shall fully and completely disclose all specific contents of all proposals. Where matters to be discussed require independent non-executive directors to express their opinion, the opinion and reasons of the independent non-executive directors shall be disclosed simultaneously when publishing the notice or supplemental notice of the general meeting.

The interval between the record date and the date of the meeting shall be subject to the provisions of relevant regulatory authorities of the place where the Company's shares are listed. The record date shall not be changed once confirmed.

8. CONVENING OF GENERAL MEETINGS

All shareholders registered on the record date or their proxies are entitled to attend the general meeting. They shall exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association.

Shareholders may attend the general meeting in person and may also appoint proxies (who need not be shareholders of the Company) to attend and vote on their behalf.

Individual shareholders who attend the meeting in person shall produce their identity cards or other valid documents or certificates of identity; in the case of attendance by proxies, the proxies shall produce their valid identity cards and the power of attorney of the shareholder.

A corporate shareholder shall be represented by its legal representative or a proxy appointed by the legal representative. If the legal representative attends a meeting, he/she produce his/her identity card and valid certificates evidencing his/her capacity as legal representative; if a proxy is appointed to attend a meeting, the proxy shall present his/her identity card and a written authorization form duly issued by the legal representative of the corporate shareholder.

The power of attorney issued by a shareholder to entrust others to attend the general meeting shall specify the following:

i. the name of the proxy;

ii. whether the proxy has voting rights;

iii. instructions to vote for, against or abstain on each matter on the agenda of the general 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 or the power of attorney shall be signed by an authorized person;

vi. other matters specified by the listing regulatory rules of the place where the Company's shares are listed.

When a general meeting is convened, all directors and the secretary to the Board of Directors shall attend the meeting and the general manager and other senior management shall be present at the meeting. Where any of the aforementioned persons is unable to attend or be present at the general meeting in person due to reasons, the Company may, depending on actual circumstances, provide video, telephone, internet or other means to facilitate their participation in the general meeting.

Where a general meeting is convened by the Board of Directors, the chairman of the Board shall chair and preside over the meeting. Where the chairman is unable or unwilling to perform their duties, a director jointly elected by more than half of the directors shall chair and preside over the meeting.

A general meeting convened by the Audit Committee on its own shall be presided over by the chairman of the Audit Committee. Where the chairman of the Audit Committee is unable or unwilling to perform their duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside.

A general meeting convened by shareholders on their own shall be presided over by a representative elected by the convener.

If the meeting presider, when convening a general meeting, acts in breach of the Articles of Association or the Company's rules of procedure for the general meeting such that the meeting cannot continue, the general meeting may, with the consent of more than half of the voting rights of shareholders present in person at the meeting, elect one person to act as meeting presider to continue the meeting.

Directors and senior management shall provide explanations and clarifications in response to enquiries and recommendations from shareholders at the general meeting.

The general meeting shall have minutes prepared by the secretary to the Board of Directors. The minutes shall contain the following:

i. the time, venue, agenda and name of the convener;

ii. the name of the meeting presider and the names of directors, the general manager and other senior management who attended or were present at the meeting;

iii. the number of shareholders and proxies attending the meeting, the total number of shares with voting rights held and the percentage of the Company's total share capital;

iv. the deliberation process, key points of speeches and voting results for each proposal;

v. enquiries or recommendations from shareholders and corresponding replies or explanations;

vi. the names of vote counters and scrutineers;

vii. other contents that shall be included in the minutes as prescribed by the Hong Kong Listing Rules or the Articles of Association.

The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, the secretary to the Board of Directors, the convener or their representative and the meeting presider who attended the meeting shall sign the minutes. The minutes shall be kept together with the attendance register of shareholders present in person, powers of attorney for attendance by proxy and valid records of voting results through online and other means, as Company records by the secretary to the Board of Directors, for a retention period of not less than 10 years.

The convener shall ensure that the general meeting continues until final resolutions are reached. If the general meeting is suspended or no resolution can be made due to force majeure or other special reasons, necessary measures shall be taken to resume the general meeting as soon as possible or to terminate the meeting directly, with timely announcement. Where the Hong Kong securities regulatory authorities have additional provisions, such provisions shall prevail.

9. VOTING AND RESOLUTIONS OF GENERAL MEETINGS

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

Ordinary resolutions shall be passed by votes representing more than half of the voting rights represented by the shareholders (including their proxies) present at the general meeting.

Special resolutions shall be passed by votes representing more than two-thirds of the voting rights represented by the shareholders (including their proxies) present at the general meeting.

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

i. to elect and replace directors not represented by employee representatives and to determine matters relating to the remuneration of directors;

ii. to consider and approve reports of the Board of Directors;

iii. to consider and approve the Company's profit distribution plans and loss recovery plans;

iv. to resolve on the engagement and dismissal of accounting firms undertaking the Company's audit work;

v. to consider and approve external guarantee matters other than those requiring approval by special resolutions at the general meeting;

vi. to consider and approve changes in the use of proceeds from fundraising;

vii. to consider and approve connected transactions, external investments, asset pledges, external financing and external donations that are required to be approved by the general meeting under the Hong Kong listing regulatory rules;

viii. other matters other than those required to be approved by special resolution pursuant to applicable laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.

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

i. to resolve on increases or reductions in the Company's registered capital;

ii. to resolve on the issuance of corporate bonds, other securities and listing;

iii. to resolve on merger, division, dissolution, liquidation or change of corporate form of the Company;

iv. to amend the Articles of Association;

v. to consider and approve matters where the Company purchases or sells material assets exceeding 30% of the latest audited total assets within one year;

vi. to consider equity incentive schemes and employee share ownership plans;

vii. to consider and approve external guarantee matters requiring approval by special resolutions at the general meeting;

viii. other matters that are required to be approved by special resolution as prescribed by applicable laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, or as determined by the general meeting by ordinary resolution to have a material impact on the Company.

Shareholders (including shareholder proxies) shall exercise voting rights according to the number of shares with voting rights they represent (except where voting rights must be abstained in respect of particular matters in accordance with the securities regulatory rules of the place where the Company's shares are listed). Each share shall carry one vote.

When the general meeting considers major matters affecting the interests of minority investors, the votes of minority investors shall be disclosed in a timely manner in accordance with relevant laws and regulations and the Hong Kong Listing Rules.

The shares held by the Company have no voting rights and such shares shall not be counted in the total number of shares with voting rights attending the general meeting.

The exercise of voting rights by shareholders in violation of restrictions on share trading shall comply with relevant laws and regulations and the Hong Kong Listing Rules.

Shareholders shall have the right to speak and vote at general meetings, unless individual shareholders are required to abstain from voting on particular matters under the listing regulatory rules of the place where the Company's shares are listed, such as if individual shareholders have a material interest in individual transactions or arrangements that are subject to voting.

When a general meeting considers matters relating to connected transactions, connected shareholders shall abstain from voting and shall not act as proxies for other shareholders to exercise voting rights. The number of shares with voting rights represented by connected shareholders shall not be counted in the total valid votes. The announcement of the general meeting resolution shall fully disclose the voting results of non-connected shareholders.

When a general meeting votes on the election of directors, a cumulative voting system shall be adopted.

10. DIRECTORS AND THE BOARD OF DIRECTORS

(1) Directors

Directors of the Company shall be natural persons. A person with any of the following circumstances shall not serve as a director of the Company:

i. having no capacity for civil conduct or limited capacity for civil conduct;

ii. a person who has been sentenced to criminal penalty for corruption, bribery, infringement of asset, misappropriation of asset or sabotaging the order of socialist market economy, where less than 5 years have elapsed since the expiration of the execution period; or who has been deprived of his political rights due to criminal offense, where less than 5 years have elapsed since the expiration of the execution period or less than 2 years have elapsed since the date of expiration of the probation period in case of probation;

iii. a person who is a former director, factory manager or manager of a company or enterprise which has been put into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;

iv. a person who is a former legal representative of a company or enterprise, the business license of which was revoked or such company or enterprise was ordered to shut down due to violation of law and such person bears personal liability therefor, where less than 3 years have elapsed since the date on which the business license of such company or enterprise was revoked;

v. a person who has a relatively large amount of debts that are due and outstanding;

vi. having been subject to securities market prohibition measures imposed by the CSRC, where the prohibition period has not expired;

vii. other circumstances as prescribed by applicable laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the Company's shares are listed.

A person with any of the following circumstances shall not serve as an independent non-executive director of the Company:

i. persons employed by the Company or its subsidiaries and their spouses, parents and children;

ii. natural persons who directly or indirectly hold 1% or more of the Company's issued shares or are among the Company's top ten shareholders and their immediate family members;

iii. persons employed by a shareholder entity that directly or indirectly holds 5% or more of the Company's issued shares or by any of the Company's top five shareholder entities and their spouses, parents and children;

iv. persons employed by affiliated enterprises of the Company's controlling shareholders or de facto controllers and their spouses, parents and children;

v. persons who have material business relationships with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or persons employed by entities that have material business relationships and their controlled subsidiaries or de facto controllers;

vi. persons providing financial, legal, consulting, sponsorship or other services to the Company and its controlling shareholder, de facto controller or their respective subsidiaries, including but not limited to all members of the project team of the intermediary providing services, reviewers at all levels, persons signing reports, partners, directors, senior management and principal responsible persons;

vii. persons who held any of the circumstances set out in items i to vi in the preceding twelve months;

viii. other persons as prescribed by applicable laws, administrative regulations, departmental rules, the Articles of Association or the regulatory rules of the place where the Company's shares are listed.

Any election, appointment or engagement of directors in violation of the provisions of this Article shall be invalid. If a director falls under any of the circumstances set out in this Article during their term of office, the Company shall dismiss the director from his/her duties.

Directors shall comply with applicable laws, administrative regulations, the Articles of Association and the Hong Kong Listing Rules and bear the following fiduciary duties to the Company to safeguard the Company's interests:

i. not to accept bribes or other illegal income by virtue of their position and not to misappropriate the Company's assets;

ii. not to use their position to damage the Company's interests for the benefit of the Company's de facto controller, shareholders, employees, themselves or other third parties;

iii. not to embezzle the Company's funds or misappropriate the Company's assets;

iv. not to open accounts in their own names or in the name of other individuals to deposit the Company's assets or funds;

v. not to lend the Company's funds to others or provide guarantees with the Company's assets for others in violation of the provisions of the Articles of Association and without the consent of the general meeting or the Board of Directors;

vi. not to enter into contracts or conduct transactions with the Company in violation of the provisions of the Articles of Association or without the consent of the general meeting;

vii. not to make use of their position to seize business opportunities that should belong to the Company for themselves or others, or to operate on their own account or for others businesses of the same type as the Company, without the consent of the general meeting;

viii. not to appropriate for themselves commissions from transactions with the Company;

ix. not to disclose the Company's secrets without authorization;

x. not to make use of their connected relationships to damage the Company's interests;

xi. to safeguard the Company's capital security and not to assist or condone the controlling shareholder and its subsidiaries in misappropriating the Company's assets;

xii. other fiduciary duties as prescribed by applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

Any income derived by a director from violating the provisions of this Article shall belong to the Company. The director shall also be liable for the compensation of the losses suffered by the Company thereto.

Directors shall comply with applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association and bear the following duties of due diligence to the Company and safeguard the interests of the Company:

i. to exercise the rights conferred by the Company prudently, carefully and diligently to ensure that the business activities of the Company are in compliance with the requirements of laws, administrative regulations and national economic policies and that the business activities shall not exceed the scope of business specified in the business license of the Company;

ii. to treat all shareholders fairly;

iii. to keep abreast of the Company's business operations and management in a timely manner;

iv. to provide written confirmation opinions on the Company's periodic reports and ensure that information disclosed by the Company is true, accurate and complete;

v. to truthfully provide relevant information and materials to the Audit Committee and not to obstruct the Audit Committee in exercising its powers;

vi. other duties of diligence as prescribed by applicable laws, administrative regulations, departmental rules, the CSRC, the Hong Kong Stock Exchange, the Hong Kong Listing Rules and the Articles of Association.

(2) Board of Directors

The Company shall establish a Board of Directors, which shall be accountable to the general meeting. The Board of Directors shall conscientiously perform the duties prescribed by relevant laws, administrative regulations, departmental rules, normative documents and the Articles of Association, ensure that the Company complies with applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and the Articles of Association, treat all shareholders fairly and pay attention to the lawful rights and interests of other stakeholders.

The Board of Directors shall consist of 9 directors, including 3 independent non-executive directors, elected by the general meeting. The number of independent non-executive directors shall be no less than three and shall be one-third or more of the total number of directors on the Board of Directors at any time.

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

i. to convene general meetings and report its work to the general meeting;

ii. to implement resolutions of the general meeting;

iii. to determine the Company's business plans and investment proposals;

iv. to formulate the Company's profit distribution plans and loss recovery plans;

v. to formulate plans for increases or reductions in the Company's registered capital and plans for the issuance of corporate bonds or other securities and listing;

vi. to formulate plans for material acquisitions, repurchases of the Company's shares or merger, division, dissolution, liquidation or change of corporate form of the Company;

vii. to consider and approve connected transactions, external investments, asset pledges, external financing and external donations that are required to be approved by the Board of Directors under the Hong Kong listing regulatory rules;

viii. to consider and approve external guarantee matters other than those requiring review and approval by the general meeting;

ix. to consider and approve matters concerning the purchase or sale of assets other than those requiring review and approval by the general meeting;

x. to determine the establishment of the Company's internal management institutions;

xi. to determine the appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other senior management and to determine matters concerning their remuneration and rewards and penalties; to determine the appointment or dismissal of the Company's deputy manager(s), chief financial officer and other senior management based on nominations by the general manager and to determine matters concerning their remuneration and rewards and penalties;

xii. to formulate proposals for the establishment of Board special committees and submit them to the general meeting for approval and to determine the selection and appointment of members of Board special committees;

xiii. to formulate the Company's fundamental management systems;

xiv. to formulate proposals for amendments to the Articles of Association;

xv. to manage the Company's information disclosure matters;

xvi. to propose to the general meeting the engagement or replacement of accounting firms to audit the Company;

xvii. to listen to the work reports from the Company's general manager and review the general manager's work;

xviii. other powers conferred by applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

Matters exceeding the approval authority delegated by the general meeting as stipulated in the preceding paragraph of this Article and matters that are required to be submitted to the general meeting for consideration pursuant to applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association, shall be submitted by the Board of Directors to the general meeting for consideration and approval.

Board meetings shall be held at least twice a year, convened by the chairman of the Board. All directors shall be notified in writing (such as by personal delivery, mail, fax, etc.), by telephone, email or other means at least 14 days prior to the meeting (excluding the day of the meeting).

Shareholders representing 10% or more of the voting rights, one-third or more of the directors, or the Audit Committee consider it necessary, they may propose to convene an extraordinary Board meeting. The chairman of the Board shall convene and preside over a Board meeting within 10 days of receipt of the proposal.

The notice of an extraordinary Board meeting convened by the Board of Directors shall be given in writing (including by personal delivery, mail, fax, etc.), by telephone or other means. The notice period shall be: notification to all directors, the general manager and the secretary to the Board of Directors five days prior to the meeting. Where the situation is urgent and an extraordinary Board meeting needs to be convened as soon as possible, the meeting notice may be given by telephone or other oral means and the meeting may be convened immediately, provided that the convener shall provide an explanation at the meeting.

The Board of Directors of the Company shall establish an Audit Committee, a Nomination Committee and a Remuneration Committee. The special committees shall be accountable to the Board of Directors and shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals of the special committees shall be submitted to the Board of Directors for consideration and determination. Members of the special committees shall all be directors. The chairman of the Audit Committee shall be appointed by the Board of Directors and shall be an independent non-executive director. The chairman of the Audit Committee shall be an accounting professional and possess the appropriate professional qualifications or appropriate accounting or relevant financial management expertise as prescribed by the Hong Kong Listing Rules. The chairman of the Nomination Committee shall be the chairman of the Board or an independent non-executive director among the members of the Nomination Committee and shall be appointed by the Board of Directors. The chairman of the Remuneration Committee shall be appointed by the Board of Directors and shall be an independent non-executive director. The Board of Directors shall be responsible for formulating the terms of reference of the special committees to regulate the operation of the special committees.

The Company shall not establish a Board of Supervisors. The Audit Committee of the Company shall exercise the powers of a Board of Supervisors as prescribed by the Company Law.

11. GENERAL MANAGER AND OTHER SENIOR MANAGEMENT

The Company shall have one general manager, who shall be nominated by the chairman of the Board and appointed or dismissed by the Board of Directors.

The Company's general manager, deputy general manager, chief financial officer and secretary to the Board of Directors shall be senior management of the Company.

The provisions of the Articles of Association regarding the fiduciary duties and duties of diligence of directors shall also apply to senior management.

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

i. to preside over the Company's production, operation and management work, organize the implementation of Board resolutions and report work to the Board of Directors;

ii. to organize the implementation of the Company's annual business plans and investment proposals;

iii. to formulate proposals for the establishment of the Company's internal management institutions;

iv. to formulate the Company's fundamental management systems;

v. to formulate the Company's specific rules and regulations;

vi. to propose to the Board of Directors the appointment or dismissal of the Company's deputy manager and chief financial officer;

vii. to determine the appointment or dismissal of responsible management personnel other than those whose appointment or dismissal shall be determined by the Board of Directors;

viii. to determine matters concerning external guarantees, external investments, external financing, purchase or sale of assets, asset pledges, connected transactions and other matters that do not require approval by the general meeting, the Board of Directors or the chairman of the Board;

ix. other functions and powers conferred by the Articles of Association, the Board of Directors and the chairman of the Board.

The general manager shall attend Board meetings. Where the general manager is not a director, they shall have no voting rights at Board meetings.

When exercising their powers, senior management shall perform their duties of good faith and diligence in accordance with applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

If senior management breach applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or other regulatory rules of the place where the Company's shares are listed, or the Articles of Association in performing their duties for the Company, thereby causing loss to the Company, they shall bear liability for damages.

Senior management of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders. Where senior management fail to faithfully perform their duties or breach their fiduciary duties, thereby causing damage to the interests of the Company and shareholders, they shall bear liability for damages in accordance with law.

12. FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

(1) Financial and Accounting System

The Company shall formulate its financial and accounting system in accordance with applicable laws, administrative regulations and provisions of relevant national authorities.

The Company shall prepare financial and accounting reports at the end of each fiscal year, which shall be audited by an accounting firm in accordance with law. Financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

The Board of Directors shall present to shareholders at each annual general meeting the financial reports required to be prepared by the Company as prescribed by relevant laws, administrative regulations, normative documents promulgated by local governments and competent authorities.

The financial reports referred to in the preceding paragraph shall include the report of the Board of Directors together with the balance sheet (including all documents required to be attached thereto under PRC or other applicable laws and administrative regulations) and profit and loss account (income statement) or statement of income and expenditure (cash flow statement), or (without contravening relevant PRC laws) financial summary reports approved by the Hong Kong Stock Exchange.

The Company shall not maintain any accounting books other than those required by law. The Company's assets shall not be deposited in accounts opened in any individual's name.

(2) Profit Distribution

When the Company distributes after-tax profits for the current year, it shall appropriate 10% of the profits to the Company's statutory reserve. Where the cumulative statutory reserve of the Company amounts to 50% or more of the Company's registered capital, no further appropriation is required.

If the Company's statutory reserve is insufficient to make up losses from prior years, current year profits shall first be used to make up the losses before appropriating the statutory reserve in accordance with the provisions of the preceding paragraph.

After appropriating the statutory reserve from after-tax profits, the Company may, upon resolution of the general meeting, also appropriate discretionary reserve from after-tax profits.

The after-tax profits remaining after the Company makes up losses and makes appropriations to reserves shall be distributed in proportion to shareholdings, except where the Articles of Association provide for distribution otherwise than in proportion to shareholdings.

If the general meeting, in violation of the provisions of the preceding paragraph, distributes profits to shareholders before the Company has made up losses and made appropriations to the statutory reserve, the shareholders shall return to the Company the profits distributed in violation of the provisions.

The shares held by the Company shall not be entitled to any profit distribution.

The reserve of the Company shall be used to make up losses of the Company, expand the production and operation of the Company or increase the capital of the Company. Where the reserve of the Company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions.

When the statutory reserve is converted into capital, the balance of such reserve remaining shall not be less than 25% of the Company's registered capital before such conversion.

After the profit distribution plan has been resolved at a general meeting, the Board of Directors shall complete the distribution of dividends (or shares) within two months following the convening of the general meeting.

(3) Internal Audit

The Company shall implement an internal audit system and be staffed with full-time auditors to conduct internal audit supervision of the Company's financial receipts and expenditures and economic activities.

The Company's internal audit system and the duties of auditors shall be implemented after approval by the Board of Directors. The head of audit shall be accountable to the Board of Directors and report work thereto.

(4) Appointment of Accounting Firms

The Company shall engage accounting firms that comply with applicable laws and regulations and the Hong Kong Listing Rules to conduct audit of accounting statements, verification of net assets and provide other related consultancy services, for a term of one year, which may be renewed.

The appointment and dismissal of accounting firms by the Company must be determined by the general meeting. The Board of Directors shall not appoint an accounting firm before such determination by the general meeting.

The remuneration of an accounting firm or the method of determining such remuneration shall be determined by the general meeting.

Where the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm 30 days in advance. When the general meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to state its views.

Where an accounting firm tenders its resignation, it shall explain to the general meeting whether there are any improprieties on the part of the Company.

13. NOTICES AND ANNOUNCEMENTS

A notice of the Company shall be made in the following forms:

i. by personal delivery;

ii. by mail;

iii. by fax or email;

iv. subject to compliance with applicable laws, administrative regulations, departmental rules, normative documents, relevant provisions of relevant regulatory authorities, the Articles of Association and the Hong Kong Listing Rules, by publication of announcements on the websites designated by the Company and the stock exchange;

v. other forms prescribed in the Articles of Association;

vi. other forms previously agreed between the Company and the recipient of notice or confirmed by the recipient after receipt of the notice;

vii. other forms approved by relevant Hong Kong regulatory authorities or specified in the Articles of Association.

With respect to the manner in which the Company provides and/or distributes corporate communications to H shareholders in accordance with the requirements of the Hong Kong Listing Rules, subject to compliance with Hong Kong laws and regulations and relevant listing rules, the Company may also send or provide corporate communications to H shareholders of the Company by electronic means or by publication of information on the Company's website, in lieu of sending corporate communications to H shareholders by personal delivery or by prepaid mail.

Corporate communications referred to in the preceding paragraph means any document issued or to be issued by the Company for the information or action of any of the Company's H shareholders or other persons as required by the Hong Kong Listing Rules, including but not limited to:

i. the Company's annual report (including the report of the Board of Directors, the Company's annual accounts, the auditor's report and financial summary report (if applicable));

ii. the Company's interim report and interim summary report (if applicable);

iii. notices of meetings;

iv. listing documents;

v. circulars;

vi. proxy forms (proxy forms have the meaning ascribed to them by the Hong Kong Listing Rules, for example, forms of proxy for appointment of representatives that may be executed by the Company's duly authorized person).

When exercising the power to give notice by way of announcement as provided in the Articles of Association, such announcements shall be published in the manner prescribed by the Hong Kong Listing Rules.

In the event that the Hong Kong Listing Rules require the Company to send, mail, distribute, issue, publish or otherwise provide relevant Company documents in both English and Chinese and if the Company has made appropriate arrangements to ascertain whether shareholders wish to receive the English version only or the Chinese version only and to the extent permitted by and in accordance with applicable laws and regulations, the Company may (in accordance with the preference indicated by shareholders) send to the relevant shareholders either the English version only or the Chinese version only.

The Company shall issue announcements and make information disclosure to holders of unlisted shares by publication on the Company's website and the website of the securities trading venue or in media that meet the conditions prescribed by the securities regulatory authority under the State Council, in accordance with applicable laws and regulations. Where announcements are required to be issued to H shareholders under the Articles of Association, such announcements shall also be published simultaneously in the manner prescribed by the Hong Kong Listing Rules.

Information disclosed by the Company in other public media shall not precede that in designated newspapers and designated websites and shall not replace Company announcements in the form of press releases, responses to reporters' questions or other forms.

The Board of Directors shall have the authority to adjust the newspapers for the Company's information disclosure, provided that the designated newspapers for information disclosure meet the qualifications and conditions prescribed by relevant laws and regulations and the CSRC, overseas regulatory authorities and overseas stock exchanges.

14. MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

(1) Merger, Division, Capital Increase and Capital Reduction

Any merger or division of the Company shall be proposed by the Board of Directors of the Company and, after approval in accordance with the procedures stipulated in the Articles of Association, the relevant approval procedures shall be completed in accordance with law.

A merger of the Company may be conducted by way of merger by absorption or merger by establishment of a new company. Where one company absorbs another company, it shall be a merger by absorption and the absorbed company shall be dissolved. Where two or more companies merge to establish a new company, it shall be a merger by consolidation 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 an inventory of assets. The Company shall notify creditors within 10 days from the date of passing the merger resolution and make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days of receipt of the notice or, if they have not received the notice, within 45 days of the announcement, require the Company to repay debts or provide corresponding guarantees.

In the event of a merger of the Company, the creditor's rights and debts of each party to the merger shall be assumed by the company surviving after the merger or the newly established company.

If the Company is divided, its assets shall be divided accordingly.

In the event of a division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify creditors within 10 days from the date of passing the division resolution and make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days.

Debts of the Company prior to division shall be assumed on a joint and several basis by the companies after division. However, this shall not apply where the Company reaches a written agreement with creditors on debt repayment prior to the division that provides otherwise.

Where the Company needs to reduce its registered capital, a balance sheet and an inventory of assets must be prepared.

The Company shall notify creditors within 10 days from the date of passing the resolution to reduce registered capital and make an announcement in information disclosure media or on the National Enterprise Credit Information Publicity System within 30 days. Creditors shall have the right to require the Company to repay debts or provide corresponding guarantees within 30 days of receipt of the notice or, if they have not received the notice, within 45 days of the announcement.

The Company's registered capital after reduction shall not be lower than the statutory minimum.

Where a merger or division of the Company results in changes to registration particulars, change of registration shall be completed with the company registration authority in accordance with law. Where the Company is dissolved, company deregistration shall be completed in accordance with law. Where a new company is established, company incorporation registration shall be completed in accordance with law.

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

(2) Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

i. expiry of the business term stipulated in the Articles of Association or occurrence of other grounds for dissolution stipulated in the Articles of Association;

ii. resolution of the general meeting to dissolve;

iii. dissolution is necessary due to merger or division of the Company;

iv. the business license is revoked, the Company is ordered to close down or is dissolved in accordance with law;

v. serious difficulties arise in the operation and management of the Company such that continued existence would cause material losses to shareholders' interests and the matter cannot be resolved through other means, shareholder(s) holding 10% or more of all shareholders' voting rights of the Company may petition a people's court to dissolve the Company.

Where the Company falls under circumstances set out in items i and ii of the first paragraph above and the Company has not yet distributed assets to shareholders, it may continue to exist by amending the Articles of Association or by resolution of the general meeting.

Amendments to the Articles of Association or resolutions of the general meeting in accordance with the provisions of the preceding paragraph shall require approval by more than two-thirds of the voting rights held by shareholders attending the general meeting.

If the Company is dissolved under circumstances set out in items i, ii, iv and v of the first paragraph above, it shall be liquidated. Directors shall be the persons obligated to liquidate the Company and shall establish a liquidation group to commence liquidation within 15 days from the date of occurrence of the grounds for dissolution. The liquidation group shall be composed of directors or persons determined by the general meeting. Where a liquidation group is not established to conduct liquidation within the time limit, creditors may apply to a people's court to appoint relevant persons to form a liquidation group to conduct liquidation.

The liquidation group may exercise following functions and powers during the liquidation:

i. to liquidate the Company's assets and prepare a balance sheet and an inventory of assets separately;

ii. to notify and announce to creditors;

iii. to handle the Company's outstanding business related to liquidation;

iv. to pay outstanding taxes and taxes arising during the liquidation process;

v. to settle claims and debts;

vi. to dispose of the Company's residual assets after repayment of debts;

vii. to represent the Company in participating in civil proceedings.

The liquidation group shall notify creditors within 10 days from the date of its establishment and make announcements in information disclosure media at least three times within 60 days. Creditors shall file their claims with the liquidation group within 30 days of receipt of the notice or, if they have not received the notice, within 45 days of the announcement. When filing claims, creditors shall explain relevant particulars of the claims and provide supporting documents. The liquidation group shall register the claims.

During the period for filing claims, the liquidation group shall not make repayment to creditors.

After sorting out the Company's assets and preparing a balance sheet and an inventory of assets, where the liquidation group discovers that the Company's assets are insufficient to repay debts, it shall apply to a people's court for bankruptcy liquidation.

After the people's court accepts the bankruptcy application, the liquidation group shall hand over liquidation matters to the administrator designated by the people's court.

Upon completion of the liquidation, the liquidation group shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation and submit it to the Company registration authority and apply for cancellation of the Company's registration.

Members of the liquidation group shall owe fiduciary duties and duties of diligence when performing liquidation duties.

If members of the liquidation group fail to diligently perform liquidation duties and cause losses to the company, or cause losses to creditors due to intentional misconduct or gross negligence, they shall be liable for compensation.

If the Company is declared bankrupt in accordance with law, bankruptcy liquidation shall be implemented in accordance with relevant enterprise bankruptcy laws.

15. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

i. after amendments to the Company Law, the Hong Kong Listing Rules or relevant laws and administrative regulations, matters stipulated in the Articles of Association conflict with the provisions of the amended laws, administrative regulations or the Hong Kong Listing Rules;

ii. changes in the Company's circumstances are inconsistent with matters recorded in the Articles of Association;

iii. the general meeting resolves to amend the Articles of Association.

Where amendments to the Articles of Association approved by resolution of the general meeting require approval by competent authorities, such amendments shall be submitted to the competent authorities for approval. Where amendments involve company registration particulars, change of registration shall be completed in accordance with law.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the general meeting to amend the Articles of Association and the approval opinions of relevant competent authorities.

Where amendments to the Articles of Association are required to be disclosed by laws and regulations, the Company shall make public announcement in accordance with the provisions.