This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not contain all the information that may be important to investors.

SHARES AND REGISTERED CAPITAL

The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank *pari passu* with each other.

Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by subscribers.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase and Decrease of Shares

According to the operation and development needs of the Company, subject to the laws and regulations, the Company may increase the capital by the following ways upon approval of resolutions at the general meeting:

(i) public issuance of shares;

(ii) non-public issuance of shares;

(iii) distribution of bonus shares to existing shareholders;

(iv) converting the reserve funds into share capital;

(v) other means as permitted by the laws, administrative regulations or as permitted by securities regulatory authorities of the place where the Company's shares are listed.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures set out in the Company Law and other relevant regulations as well as the Articles of Association.

REPURCHASE OF SHARES

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

(i) to reduce the Company's registered capital;

(ii) to merger with other companies holding the Company's shares;

(iii) to use shares for employee stock ownership plans or equity incentives;

(iv) to acquire the shares of shareholders who have voted against the resolutions on the merger or division of the Company at a general meeting upon their request;

(v) to use the shares for conversion of corporate bonds issued by the Company that could be converted into its share certificates;

(vi) when it is necessary for the Company to preserve its value and its shareholders' interests.

(vii) other circumstances approved by the laws, administrative regulations or approved by securities regulatory authorities of the place where the Company's shares are listed.

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

If the Company repurchases its own shares under the circumstances set out in items (i) and (ii) of Article 24 of the Articles of Association, resolutions related thereto shall be adopted at a general meeting. If the Company repurchases its own shares under the circumstances set out in items (iii), (v) and (vi) of Article 24 of the Articles of Association, resolutions related thereto shall be adopted at the Board meeting with more than two-thirds of the Directors attending subject to applicable securities regulatory rules of the place where the Company's shares are listed. After the acquisition of the Company's shares, the Company shall fulfill its information disclosure obligations in accordance with the Securities Law and the securities regulatory rules of the place where the Company's shares are listed.

For A shares, after the Company repurchases its own shares in accordance with Article 24 of the Articles of Association, if it falls under item (i), the shares shall be canceled within 10 days from the date of repurchase; if it falls under items (ii) or (iv), the shares shall be transferred or canceled within 6 months; if it falls under items (iii), (v) or (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and the shares shall be transferred or canceled within 3 years after the publication of the announcement of repurchase results and share changes. For H shares, if laws, administrative regulations and the securities regulatory authorities of the place where the Company's shares are listed provide otherwise regarding matters related to share repurchases, such rules shall prevail.

Transfer of Shares

No transfer of the shares of the Company issued before its public offering of shares shall be made within 1 year from the date on which the Company's shares are listed and traded on the Shanghai Stock Exchange.

The Directors and senior management members of the Company shall report to the Company their shareholdings and the changes thereof, and shall not transfer in a given year during their terms of office more than 25% of the total shares of the same class of the Company held by them; the shares of the Company held by them shall not be transferred within 1 year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within six months from the date of their resignations.

If the securities regulatory rules of the place where the Company's shares are listed provide otherwise on restrictions on the transfer of the Company's shares, such rules shall prevail.

Where a Director or senior management member, or a shareholder holding more than 5% of the Company's shares, sells the Company's shares or other securities of an equity nature held within 6 months after purchase, or repurchases them within 6 months after sale, the proceeds thus earned shall belong to the Company, and the Board of the Company shall recover the proceeds, except for the securities companies holding more than 5% of the shares as a result of underwriting the purchase of the remaining shares after the sale and other circumstances specified by CSRC. If the securities regulatory rules of the place where the Company's shares are listed provide otherwise on restrictions on the transfer of the Company's shares, those provisions shall prevail.

The shares or other securities of an equity nature held by Directors, senior management members and natural person shareholders referred to in the preceding paragraph include the shares or other securities of an equity nature held by their spouses, parents and children, as well as shares or other securities of an equity nature held through the accounts of others.

If the Board of the Company does not abide by the provisions of the first paragraph of this Article, shareholders shall have the right to request the Board to do so within 30 days. If the Board of the Company fails to do so within the said period, shareholders shall have the right to file a lawsuit directly with the people's court in their own name for the benefit of the Company.

If the Board of the Company does not abide by the provisions of the first paragraph of this Article, the responsible Directors shall be jointly liable according to law.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall make a register of shareholders in accordance with evidentiary documents provided by the securities registration and settlement institution. The register of shareholders is sufficient evidence to prove that the shareholders hold the Company's shares. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

The original register of shareholders of H shares is kept in Hong Kong and is available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

Shareholders of the Company shall enjoy the following rights:

(i) to receive distribution of dividends and other forms of benefits according to the proportion of shares held;

(ii) to legally require, convene, preside over, participate in or authorize proxies to attend the general meeting and exercise corresponding voting rights;

(iii) to supervise the operations of the Company, provide suggestions or submit queries;

(iv) to transfer, donate and pledge the shares held in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;

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

(vi) to participate in the distribution of the remaining assets of the Company according to the proportion of shares held upon the Company's termination or liquidation;

(vii) for shareholders who dissent from resolutions on the merger or division of the Company passed at a general meeting, to require the Company to repurchase their shares;

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

If the content of the resolutions at the general meeting and the resolutions of the Board of the Company is in violation of laws and administrative regulations, shareholders are entitled to request the people's court to declare them invalid.

If the procedures for convening and voting method at the general meeting and the Board meeting are in violation of laws, administrative regulations or the Articles of Association, or the content of the resolutions violates the Articles of Association, shareholders are entitled to request the people's court to revoke such resolutions within 60 days from the date of the resolutions.

The shareholders of the Company shall assume the following obligations:

(i) to comply with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;

(ii) to pay capital contribution as per the shares subscribed for and the method of subscription;

(iii) not to withdraw shares unless in the circumstances stipulated by laws and regulations;

(iv) not to abuse shareholder's rights to harm the interests of the Company or other shareholders; not to abuse the Company's position as an independent legal entity or shareholder's limited liability to harm the interests of the creditors of the Company;

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

If any shareholder of the Company abuses his/her shareholder's right, thereby causing any loss to the Company or other shareholders, the said shareholder shall be liable for compensation according to the laws. If any shareholder of the Company abuses the Company's position as an independent legal entity or shareholder's limited liability for the purpose of evading repayment of debts, thereby severely damaging the interests of the creditors of the Company, the said shareholder shall bear joint liabilities for the Company's debts.

General Rules for the General Meeting

The general meeting shall be composed of all shareholders of the Company. The general meeting shall be the authority of the Company and shall exercise the following functions and powers in accordance with the law:

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

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

(iii) to consider and approve the Company's profit distribution plans and plans for making up losses;

(iv) to resolve on increase or reduction in the Company's registered capital;

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

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

(vii) to amend the Articles of Association;

(viii) to resolve on the Company's appointment or removal of accounting firms handling the Company's audit;

(ix) to consider and approve the guarantees specified in Article 46 of the Articles of Association;

(x) to consider and approve the transactions specified in Article 47 of the Articles of Association;

(xi) to consider the Company's purchase or disposal of material assets within 12 consecutive months which exceed 30% of the latest audited total assets of the Company;

(xii) to consider and approve matters relating to changes in the use of proceeds raised;

(xiii) to consider equity incentive plans and employee stock ownership plans;

(xiv) the annual general meeting may authorize the Board to decide to issue shares to specific targets with total financing not exceeding RMB300 million and not exceeding 20% of the net assets at the end of the most recent year, and such authorization shall lapse on the date of the next annual general meeting;

(xv) to consider other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association which shall be decided by the general meeting.

The following acts of external guarantee of the Company shall be submitted to the general meeting for deliberation and approval:

(i) guarantees where the single guarantee amount exceeds 10% of the Company's audited net assets in the latest period;

(ii) any guarantee to be provided after the total amount of external guarantees provided by the Company and the subsidiaries it controls has exceeded 50% of the Company's audited net assets in the latest period;

(iii) guarantees provided to a party whose debt-to-assets ratio exceeds 70%;

(iv) any guarantee to be provided after the total amount of the Company's external guarantees has exceeded 30% of the Company's audited total assets in the latest period;

(v) guarantees where the total amount of guarantees provided by the Company to others within one year exceeds 30% of the Company's audited total assets in the latest period;

(vi) guarantees provided to related persons;

(vii) other guarantee circumstances stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association which are subject to review and approval by the general meeting.

When the general meeting considers a guarantee proposed for a shareholder, an actual controller and his/her related parties, this shareholder or other shareholders controlled by this actual controller shall not vote for the proposal, which shall have the affirmative votes by a majority of votes held by other shareholders attending the general meeting.

General meetings include annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within 6 months after the end of the previous accounting year.

The Company shall convene an extraordinary general meeting within 2 months from the date of the occurrence of any of the following circumstances:

(i) the number of Directors is less than the minimum quorum specified in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;

(ii) the uncovered losses of the Company reach one-third of its total paid-in share capital;

(iii) shareholders holding 10% or more shares of the Company separately or jointly so request;

(iv) the Board considers it necessary;

(v) the Audit Committee proposes that such a meeting shall be held;

(vi) other circumstances provided for by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The number of shares held under item (iii) above shall be calculated as of the date on which shareholders submit their written request.

If an extraordinary general meeting is convened pursuant to 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 in accordance with the approval progress of the securities regulatory authorities of the place where the Company's shares are listed.

Convening of General Meetings

Shareholders who individually or collectively hold more than 10% of the shares of the Company shall have the right to request the Board to convene an extraordinary general meeting and shall submit such request to the Board in writing. The Board shall provide written feedback on whether or not to agree to convene an extraordinary general meeting within 10 days after receiving the request, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the Board agrees to convene an extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after making the resolution of the Board. Any change in the original request in the notice shall obtain the consent of the relevant shareholders.

If the Board does not agree to convene an extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the shares of the Company shall have the right to propose to the Audit Committee to convene an extraordinary general meeting, and shall submit a request to the Audit Committee in writing.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after receiving the request, and any change in the original request in the notice shall obtain the consent of the relevant shareholders.

If the Audit Committee fails to issue a notice of the general meeting within the prescribed time, it shall be deemed that the Audit Committee has failed to convene and preside over the general meeting. Shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over the general meeting by themselves.

If the Audit Committee or shareholders decide to convene a general meeting on their own, they shall notify the Board in writing and complete the necessary reports, announcements or filings in accordance with the securities regulatory rules and the provisions of the stock exchange of the place where the Company's shares are listed. Before the announcement of the resolution of the general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%. The Audit Committee or convening shareholders shall complete the necessary report or announcement in accordance with the securities regulatory rules and the provisions of the stock exchange of the place where the Company's shares are listed when issuing the notice of general meeting and the announcement of resolutions of general meeting.

The Company shall bear the expenses necessary for general meetings convened by the Audit Committee or shareholders themselves.

Notices of General Meetings

The convener shall notify each shareholder in writing (including announcement) 20 days before the annual general meeting, and the extraordinary general meeting shall notify each shareholder in writing (including announcement) 15 days before the meeting.

The notice of a general meeting includes the following:

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

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

(iii) in plain language: all shareholders have the right to attend the general meeting, and may entrust a proxy in writing to attend the meeting and vote, and such proxy does not need to be a shareholder of the Company;

(iv) the shareholding registration date of the shareholders entitled to attend the general meeting;

(v) the name and telephone number of the permanent contact person for conference affairs;

(vi) the voting time and voting procedure for networks or other means.

The notice of the general meeting and the supplementary notice shall fully and completely disclose all the specific contents of all proposals. If the matter to be discussed requires the opinion of independent Directors, the opinions and reasons of the independent Directors will be disclosed at the same time when the notice of the general meeting or the supplementary notice is issued.

Proxies for the General Meeting

A shareholder may attend and vote at the general meeting in person or by proxy (who does not need to be a shareholder of the Company).

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid certificates or documents that can verify their identity; proxies attending the meeting shall present their valid identity cards and the proxy statement from the shareholder.

Corporate shareholders shall be represented at the meeting by the legal representative or a proxy authorized by the legal representative. Legal representatives attending the meeting shall present their personal identity cards and valid documents that can prove their identity as the legal representative; proxies authorized to attend the meeting shall present their personal identity cards and the written proxy statement legally issued by the legal representative of the corporate shareholder (except where the shareholder is a recognized clearing house as defined under the relevant ordinances of Hong Kong laws in force from time to time or the securities regulatory rules of the place where the Company's shares are listed). If the shareholder is a recognized clearing house (or its agent), it may authorize one or more persons as it thinks fit to act as its representative at any general meeting or meeting of creditors; however, if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each such person is so authorized, and the authorization shall be signed by a person authorized by the recognized clearing house. A person so authorized may exercise the same rights on behalf of the recognized clearing house (or its agent) as that recognized clearing house could exercise (without the need to present share certificates, notarized authorization and/or further evidence of due authorization), and shall be entitled to the same rights as those enjoyed by other shareholders under the law, including the right to speak and vote, as if such person were an individual shareholder of the Company.

Non-legal person organization shareholders shall be represented at the meeting by the person-in-charge of such organization or a proxy authorized by the person-in-charge. The person-in-charge attending the meeting shall present their personal identity card and valid documents that can prove their identity as the person-in-charge; proxies authorized to attend the meeting shall present their personal identity cards and the written proxy statement legally issued by the person-in-charge of the organization.

Where the proxy statement for proxy voting is signed by another person authorized by the principal, the authorization document or other authorization documents for such authorized signing shall be notarized. The notarized authorization document or other authorization documents, together with the proxy statement, shall be kept at the Company's registered address or at such other place as specified in the notice convening the meeting.

The proxy statement issued by a shareholder to appoint another person to attend the general meeting shall contain the following:

(i) the name or designation of the principal, and the class and number of shares of the Company held;

(ii) the name or designation of the proxy;

(iii) specific instructions from the shareholder, including instructions to vote for, against or abstain from voting on each matter on the agenda of the general meeting;

(iv) the date of issuance and the period of validity of the proxy statement;

(v) the signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate entity shall be affixed. If the principal is a non-legal person organization, the seal of the non-legal person organization shall be affixed.

Voting of General Meeting

Resolutions of the general meeting shall be divided into ordinary and special resolutions. An ordinary resolution of a general meeting shall be passed by over one-half of the voting rights held by the shareholders present at the general meeting. A special resolution of a general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

Shareholders exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote, unless individual shareholders are required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's shares are listed. When voting, a shareholder (including proxies thereof) who has two or more voting rights is not required to cast all voting rights either in favor of or against a resolution. When the general meeting considers material matters affecting the interests of minority investors, the votes of minority investors shall be counted separately, and the results of such separate vote counting shall be publicly disclosed in a timely manner.

The shares of the Company held by the Company do not carry voting rights and shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.

In accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, if any shareholder is required not to exercise voting rights in respect of certain shares, or is required to abstain from voting on a resolution, or is restricted to voting only for (or against) a resolution, the number of votes cast by or on behalf of such shareholder in violation of the relevant provisions or restrictions shall not be included in the total number of voting shares.

Shareholders who purchase voting shares of the Company in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law shall not exercise voting rights in respect of the shares exceeding the prescribed ratio within 36 months after the purchase, and such shares shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.

The Board, independent Directors, shareholders holding more than 1% of voting shares, or investor protection agencies established in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or requirements of the CSRC may act as solicitors and, by themselves or by entrusting securities companies or securities service institutions, publicly request shareholders to authorize them to attend the general meeting on their behalf and to exercise shareholder rights such as the right to make proposals and voting rights on their behalf. Where voting rights are solicited in accordance with the preceding paragraph, the solicitor shall disclose the solicitation documents and the Company shall cooperate. Soliciting shareholders' voting rights by means of consideration or de facto consideration is prohibited. The Company shall not impose any minimum shareholding limit for soliciting voting rights, except for statutory conditions.

Except as otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, when the general meeting deliberates on matters related to connected transactions, connected shareholders shall not participate in the voting, and the number of voting shares they represent shall not be counted in the total number of valid votes. The announcement of resolutions of the general meeting shall fully disclose the voting situation of non-connected shareholders.

The following matters shall be passed by ordinary resolution at the general meeting:

(i) the working report of the Board;

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

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

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

The following matters shall be passed by special resolution at the general meeting:

(i) the increase or decrease in registered capital of the Company;

(ii) the demerger, spin-off, merger, dissolution and liquidation of the Company and change of corporate form;

(iii) amendments to the Articles of Association;

(iv) the purchase or disposal of material assets by the Company or guarantee amounts provided to others within 12 consecutive months exceeding 30% of the Company's latest audited total assets;

(v) equity incentive plans;

(vi) other matters required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association to be approved by special resolutions, and other matters that have been determined by ordinary resolutions at the general meeting to have a significant impact on the Company and require approval by special resolution.

DIRECTORS AND THE BOARD

Directors

Directors shall be elected or replaced by the general meeting, and may be removed from office by the general meeting before the expiration of their term of office, except as otherwise provided by relevant laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed. The term of office of a Director is three years and upon expiration of the term, the Director may be re-elected for consecutive terms. On the premise of complying with the relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed, shareholders shall have power by ordinary resolution to remove any Director at the general meeting before the expiration of his/her term of office; however, such removal shall not prejudice any claim for damages under any contract by such Director.

A Director's term of office shall commence from the date on which he/she takes office and expire upon the expiry of the current term of office of the Board. If, upon the expiry of a Director's term of office, a new Director cannot be elected on a timely basis, before the re-elected Director starts his/her term of office, the original Director shall continue to perform his/her duties as Director in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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 after his/her appointment and shall be eligible for re-election at that meeting.

Directors may concurrently serve as senior management members, but the total number of Directors who concurrently hold positions as senior management members and Directors who serve as employee representatives shall not exceed one-half of the total number of Directors of the Company.

The Company shall not have Directors serving as employee representatives.

A Director may submit his/her resignation before the expiration of his/her term of office. A Director's resignation shall be submitted to the Board in the form of a written resignation report, and the resignation shall take effect on the date on which the Company receives the resignation report. The Company shall disclose the relevant matters within 2 trading days or within the period required by the securities regulatory rules of the place where the Company's shares are listed.

If a Director's resignation results in the number of Board members falling below the statutory minimum, or if an independent Director's resignation results in the proportion of independent Directors on the Board or its special committees failing to meet the requirements of laws and regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or if there is no accounting professional among the independent Directors, the resignation report shall not take effect until the next Director fills the vacancy arising from such resignation. Before the resignation report takes effect, the Director proposing to resign shall continue to perform his/her duties in accordance with the relevant laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

In the circumstances described above, where a Director submits his/her resignation, the Company shall complete the by-election within 60 days to ensure that the composition of the Board and its special committees complies with the requirements of laws and regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Chairman

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

Board

The Board shall consist of seven Directors.

The Board shall exercise the following functions and powers:

(i) to convene general meetings and present work reports at such meetings;

(ii) to execute resolutions of the general meeting;

(iii) to decide on the business and investment plans of the Company;

(iv) to prepare the profit distribution plan and loss makeup plan of the Company;

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

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

(vii) to decide on external investment, acquisition and disposal of assets, external guarantees, entrusted financial management, connected transactions, external donations and other matters within the scope of authorization granted by the general meeting;

(viii) to resolve on the establishment of internal management organizations of the Company;

(ix) to appoint or dismiss the Company's general manager, secretary to the Board and other senior management members, and determine their remuneration and rewards and penalties; based on the nomination of the general manager, to appoint or dismiss the Company's deputy general manager, chief financial officer and other senior management members, and determine their remuneration and rewards and penalties;

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

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

(xii) to manage the disclosure of information by the Company;

(xiii) to propose to the general meeting the appointment or change of the accounting firm responsible for the auditing of the Company;

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

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

The Board shall hold at least four meetings per year, convened by the chairman, with written notice given to all Directors 14 days before each meeting.

Shareholders representing more than one-tenth of voting rights, more than one-third of Directors, a majority of independent Directors, the general manager or the Audit Committee may propose the convening of an extraordinary Board meeting. The chairman shall convene and preside over the Board meeting within 10 days of receiving such proposal.

Notice of an extraordinary Board meeting shall be given in writing by personal delivery, post, facsimile, email or other written means, at least 3 days before the meeting. In special circumstances where an extraordinary Board meeting needs to be convened as soon as possible, notice may be given at any time by telephone or other oral means, provided that the convener shall make an explanation at the meeting.

Unless otherwise provided in the Articles of Association, a Board meeting shall require the attendance of more than half of all Directors. Unless otherwise provided in the Articles of Association, resolutions of the Board shall be passed by more than half of all Directors. Voting on Board resolutions shall be on a one-person-one-vote basis. Where laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the Company's shares are listed impose any additional restrictions on Directors' participation in Board meetings and voting, such provisions shall prevail.

Where a Director has a connected relationship with an enterprise or individual involved in a matter to be resolved at a Board meeting, such Director shall promptly report to the Board in writing. A Director with a connected relationship shall not exercise voting rights on the relevant resolution, nor act as proxy for other Directors to exercise voting rights. Such Board meeting may be held with the attendance of more than half of the non-connected Directors, and resolutions shall be passed by a majority of the non-connected Directors present. If fewer than 3 non-connected Directors attend the Board meeting, the matter shall be submitted to the general meeting for consideration.

Board meetings shall be attended by Directors in person. If a Director is unable to attend for any reason, he/she may authorize another Director in writing to attend on his/her behalf. The proxy instrument shall state the name of the proxy, the matters to be represented, the scope of authorization and the period of validity, and shall be signed or sealed by the principal. The Director attending on behalf of another shall exercise the Director's rights within the scope of the authorization. A Director who neither attends a Board meeting nor authorizes a representative to attend shall be deemed to have waived his/her voting right at that meeting.

Committees under the Board

The Company shall establish an Audit Committee, composed of Directors of the Company, to exercise the functions and powers of the supervisory board as stipulated in the Company Law. The Company shall not have supervisors or a supervisory committee.

The Board shall establish other special committees including a Strategy Committee, a Nomination Committee and a Remuneration and Appraisal Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board. Proposals of special committees shall be submitted to the Board for consideration and decision.

Secretary to the Board

The Company shall have a secretary to the Board, who shall be responsible for the preparation of general meetings and Board meetings, document management, management of shareholder information and handling of information disclosure matters. The secretary to the Board shall be nominated by the chairman, appointed or dismissed by the Board, and shall be accountable to the Board. The secretary to the Board shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

General Manager and Other Senior Management Members

The Company shall have one general manager, who shall be appointed or dismissed by the Board. The Company shall have two deputy general managers, who shall be appointed or dismissed by the Board.

The term of office of the general manager is three years per term and he/she may be re-appointed for consecutive terms.

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

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

(ii) to organize the implementation of the Company's annual business plans and investment plans;

(iii) to draft plans for the establishment of the Company's internal management organization;

(iv) to draft the Company's basic management system;

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

(vi) to recommend to the Board the appointment or dismissal of the Company's deputy general manager and chief financial officer;

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

(viii) to propose the convening of extraordinary Board meetings;

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

Senior management members of the Company shall perform their duties honestly and protect the best interests of the Company and all shareholders. Senior management members of the Company shall be liable for compensation in accordance with the laws for any damage caused to the interests of the Company and public shareholders as a result of their failure to perform duties honestly or violation of their fiduciary duties.

Qualifications of Directors and Senior Management Members

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

(i) having no or limited capacity for civil conduct;

(ii) having been sentenced to criminal punishment for corruption, bribery, misappropriation of property, embezzlement of property or disruption of the socialist market economic order, or having been deprived of political rights for criminal offences, where fewer than 5 years have elapsed since the completion of the sentence; or having been placed on probation, where fewer than 2 years have elapsed from the date of expiration of the probation period;

(iii) having served as a director, factory director or manager of a company or enterprise that has undergone bankruptcy liquidation, and bearing personal responsibility for such bankruptcy, where fewer than 3 years have elapsed since the completion of the bankruptcy liquidation;

(iv) having served as the legal representative of a company or enterprise whose business licence was revoked or which was ordered to close due to violation of law, and bearing personal responsibility therefor, where fewer than 3 years have elapsed since the date of revocation of the business licence or the order of closure;

(v) having a relatively large amount of personal debt that has not been repaid upon maturity and having been listed as a dishonest judgment debtor by a people's court;

(vi) having been subject to a market entry ban imposed by the CSRC, where the ban period has not expired;

(vii) having been publicly declared by a stock exchange as unfit to serve as a director or senior management member of a listed company, where the relevant period has not expired;

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

The provisions of Article 101 of the Articles of Association regarding circumstances disqualifying a person from serving as a Director and the system for management of departing personnel shall also apply to senior management members.

Financial Accounting System

The Company shall establish financial and accounting systems according to laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the provisions of relevant state authorities.

The Company shall submit and disclose its annual reports to the relevant branch office of the CSRC and the stock exchange within four months from the end of each fiscal year, and its interim reports to the relevant branch office of the CSRC and the stock exchange within two months from the end of the first half of each fiscal year. The above-mentioned annual and interim reports shall be prepared in accordance with relevant laws, administrative regulations and the provisions of the CSRC and the stock exchange.

The Company will not establish account books other than the statutory account books. The assets of the Company 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 set aside 10% of the profits as the statutory reserve fund. Where the accumulated amount of the Company's statutory reserve fund reaches 50% or more of the registered capital of the Company, no further appropriation is required. If the Company's statutory reserve fund is insufficient to make up for the losses of previous years, the current year's profits shall first be used to make up for the losses before the statutory reserve fund is set aside in accordance with the preceding paragraph.

After setting aside the statutory reserve fund from after-tax profits, the Company may, upon resolution of the general meeting, also set aside a discretionary reserve fund from after-tax profits. The remaining after-tax profits after making up losses and setting aside reserve funds shall be distributed to shareholders in proportion to their respective shareholdings.

Shares of the Company held by the Company shall not participate in profit distribution.

The Company may distribute dividends in the form of cash, shares or a combination of cash and shares, with priority given to cash dividend distribution.

After making sufficient appropriations to reserve funds, and on the premise that the Company is profitable and that its cash resources can meet the needs of its continuing operations and long-term development, and subject to the conditions for cash dividends as stipulated in the Articles of Association, the profits distributed in cash shall not be less than 10% of the distributable profits realized in the current year, and the cumulative profits distributed in cash over any consecutive three-year period shall not be less than 30% of the average annual distributable profits realized over those three years.

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

Internal Audit

The Company shall implement an internal audit system, specifying the leadership structure, responsibilities and authority, staffing, funding arrangements, application of audit results and accountability mechanisms for internal audit work.

The internal audit system of the Company shall be implemented upon approval by the Board and disclosed to the public.

The internal audit body shall be accountable to the Board.

Appointment of an Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law to audit the financial statements of the Company, verify net assets and offer other relevant consulting services. The term of service shall be one year, which is renewable upon expiry.

The appointment or dismissal of an accounting firm by the Company shall be reviewed and approved by the Audit Committee, submitted to the Board for consideration, and decided by the general meeting. The Board shall not appoint an accounting firm before the decision is made by the general meeting.

The Company guarantees that it will provide the accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information without any rejection, concealment or falsehood.

The audit fees of an accounting firm shall be decided by the general meeting.

In the event of removal or non-renewal of appointment of an accounting firm, the Company shall promptly notify the accounting firm after the Board resolution. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm is considered at the general meeting. Where the accounting firm resigns, it shall make clear to the general meeting whether there is any impropriety on the part of the Company.

Merger, Division, Capital Increase and Reduction

The merger of the Company may take the form of either merger by absorption or merger by new establishment. In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a property list. Within 10 days from the date of adoption of the merger resolution, the Company shall notify its creditors, and within 30 days it shall make an announcement on information disclosure media designated by the CSRC and the HKEX. A creditor may, within 30 days from the date of receipt of the written notice or, if he/she did not receive a written notice, within 45 days from the date of the announcement, require the Company to pay its debt in full or to provide commensurate security.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

If the Company is divided, its property shall be divided accordingly. When the Company is divided, it shall prepare a balance sheet and a property list. Within 10 days from the date of adoption of the resolution on the division, the Company shall notify its creditors, and within 30 days it shall make an announcement on information disclosure media designated by the CSRC and the HKEX.

The surviving companies shall be jointly liable for the pre-division debts of the Company, unless provided otherwise in a written agreement on debt repayment reached between the Company and a creditor prior to the division.

If the Company needs to reduce its registered capital, it must prepare a balance sheet and a list of its property. The Company shall notify its creditors within 10 days from the date of adoption of the resolution to reduce its registered capital, and within 30 days it shall make an announcement on information disclosure media designated by the CSRC and the HKEX. Creditors shall, within 30 days of receiving written notice, or within 45 days of the date of the public announcement for those who have not received written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding security.

If a change occurs in the Company's registered particulars due to its merger or division, the change shall be registered with the Company's registrar in accordance with the laws. If the Company is dissolved, de-registration of the Company shall be carried out in accordance with the laws. If a new company is established, registration of the establishment of such company shall be carried out in accordance with the laws. The increase or reduction of registered capital of the Company shall be registered with the Company registrar in accordance with the laws.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(i) the term of business specified in the Articles of Association has expired or any other cause for dissolution specified in the Articles of Association has occurred;

(ii) the general meeting resolves to dissolve the Company;

(iii) dissolution is necessary as a result of the merger or division of the Company;

(iv) the Company has its business license revoked, is ordered to close down or is revoked in accordance with the laws;

(v) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders' voting rights may petition the people's court to dissolve the Company.

If the Company is dissolved pursuant to items (i), (ii), (iv) or (v) of Article 202 of the Articles of Association, it shall undergo liquidation. The Directors shall be obligated to organize liquidation and shall form a liquidation committee within 15 days from the date on which the cause for dissolution arises. The liquidation committee shall be composed of Directors, unless otherwise provided in the Articles of Association or unless the general meeting resolves to appoint other persons.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement on information disclosure media designated by the CSRC and the HKEX within 30 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice or, if they did not receive a notice, within 45 days from the date of the announcement. When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims. During the claim declaration period, the liquidation committee shall not pay any debts to creditors.

After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the general meeting or the people's court for confirmation.

The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts shall be distributed by the Company to the shareholders in proportion to the shares they hold. During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for bankruptcy liquidation in accordance with the laws. After the people's court has accepted the bankruptcy application, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator designated by the people's court.

Following completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, submit the same to the general meeting or the people's court for confirmation, submit the same to the Company registrar, apply for cancellation of the Company's registration and publicly announce the Company's termination.

Amendment to the Articles of Association

The Company shall amend the Articles of Association if:

(i) provisions of the Articles conflict with the Company Law or related laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed after such laws are amended;

(ii) a change occurs in the Company's situation and such change is inconsistent with the matters stated herein;

(iii) the general meeting decides to amend the Articles.

Amendments to the Articles adopted by resolution of the general meeting that are subject to approval by the competent authorities shall be submitted to the competent authorities for approval. If an amendment to the Articles involves a registered particular of the Company, registration of the change shall be carried out in accordance with the laws.