This Appendix mainly provides potential investors with an overview of the Articles of Association (The Articles of Association set out in this Appendix shall take effect from the date on which the overseas listed ordinary shares (H shares) issued by the Company are listed on the Hong Kong Stock Exchange). Since the information provided below is only a summary, it does not contain all the information that may be important to potential investors.

ISSUANCE OF SHARES

The shares of the Company shall be in the form of share certificates. The issuance of the shares of the Company shall be conducted in the principle of openness, fairness and justness, and each share of the same class shall be entitled to equal rights. For shares of the same class issued in the same offering, the conditions and price per share shall be the same. All subscribers for such shares shall pay the same price per share.

INCREASE, DECREASE AND REPURCHASE OF SHARES

In accordance with the Company's operational and developmental needs, the Company may increase its capital in accordance with the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed subject to respective resolution of the general meeting, by following methods:

(i) Public issuance of shares;

(ii) Non-public issuance of shares;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Capitalizing reserves into share capital;

(v) Other means approved by the laws, administrative regulations, regulations of departments, normative documents and the securities regulatory rules of the place where the Company's shares are listed.

The Company may decrease the registered share capital. When the Company reduces its registered capital, it shall comply with the procedures stipulated in the Company Law, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and other regulations, and the Articles of Association.

The Company shall not repurchase its own shares, unless otherwise under any of the following circumstances:

(i) Reducing the Company's registered share capital;

(ii) Merging with other companies which hold our shares;

(iii) Using the shares for an employee stock ownership plan or equity incentive plan;

(iv) Purchasing its shares from Shareholders who have voted against the resolutions on the merger or division of the Company at a Shareholders' meeting upon their request;

(v) Use of shares for conversion of convertible corporate bonds issued by the Company;

(vi) Necessary for the Company to maintain its value and protect the interests of the Shareholders;

(vii) Other circumstances as stipulated by laws, administrative regulations, departmental rules, normative documents, and the securities regulatory rules of the place where the Company's shares are listed.

The repurchase of the Company's shares by the Company may be carried out through public centralized trading, or other methods recognized under laws and administrative regulations, the CSRC and stock exchanges and securities regulatory bodies at the place where the Company's shares are listed. If the share repurchase is made under the circumstances stipulated (iii), (v) and (vi) set out above, it shall be conducted through public centralized trading. When the Company is to repurchase its own shares under the circumstances stipulated in (i) and (ii) above, a resolution of the Shareholders' meeting shall be resolved. In case of the circumstances stipulated in (iii), (v) and (vi) above, a resolution of the Company's Board passed by more than two-thirds of the directors attending the Board meeting in accordance with regulations of the Articles of Association or with the authorization of the Shareholders' meeting and the applicable securities regulatory rules of the place where the Company's shares are listed.

The repurchase of the Company's H shares shall comply with the Hong Kong Listing Rules and other relevant laws, regulations and regulatory requirements of the place where the H shares are listed.

TRANSFER OF SHARES

Except as otherwise provided by laws and the securities regulatory authority of the place where the Company's shares are listed, the Company's shares may be transferred in accordance with the law and are free from any lien.

The Company does not accept its own shares as the collateral of pledge.

The shares issued prior to the public issuance of shares by the Company shall not be transferred within one year of the date on which the shares of the Company are listed and traded on a stock exchange. The controlling shareholders of the Company shall comply with the restrictions on the disposal of shares by controlling shareholders following listing as set out under the Hong Kong Listing Rules.

The directors and senior management of the Company shall declare the Company of their holdings of shares of the Company (including preference shares) and the changes therein. The shares transferred by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of shares in the same class of the Company. The shares of the Company held by them shall not be transferred within one year from the date on which the Company's shares are listed for trading. The shares of the Company held by them shall not be transferred within half a year from their departure from the Company. If the Company's shareholders have made commitments to transfer restrictions for a longer period in respect of the Company's shares held by them, such commitments shall prevail.

If the shares are pledged within the term of limited transfer prescribed by relevant laws and administrative regulations, the pledgee may not exercise the pledge right within the term of limited transfer.

SHAREHOLDERS

The Company shall establish a register of Shareholders in accordance with certificates provided by the securities registration and clearing authorities unless there is contrary evidence. 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.

When the Company convenes a general meeting, distributes dividends, enters into liquidation and engages in other activities that require determination of identity of a shareholder, the Board or the convener of a general meeting shall determine the shareholding registration date, and shareholders registered on the register of members after the close of market on such date shall be the shareholders entitled to the relevant interests.

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 to hold, convene, preside over, participate in or authorize proxies of Shareholders to attend the Shareholders' meeting and exercise corresponding speak rights and voting rights according to the provisions of laws, administrative regulations, regulations of departments, securities regulatory rules, laws, regulations and listing rules of the place where the Company's shares are listed, the relevant requirements of the securities regulatory authority and the Articles of Association.

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

(iv) To transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations, regulations of departments, securities regulatory rules, laws, regulations and listing rules of the place where the Company's shares are listed, the relevant requirements of the securities regulatory authority and the Articles of Association.

(v) To participate in the distribution of the remaining assets of our Company according to the proportion of shares held upon our termination or liquidation;

(vi) To require our Company to acquire the shares from Shareholders voting against any resolutions adopted at the Shareholders' meeting concerning the merger and division of the Company;

(vii) Shareholders holding, individually or collectively, one percent or more of the Company's shares shall have the right to propose temporary resolutions and submit such proposals in writing to the board of directors at least ten days prior to the convening of the Shareholders' meeting.

(vii) Other rights conferred by laws, administrative regulations, regulations of the authorities, securities regulatory rules where the Company's shares are listed, or the Articles of Association.

If a shareholder who individually or collectively holds more than 3% of the Company's shares for more than 180 consecutive days requests to inspect the Company's accounting books and accounting vouchers, he or she shall submit a written request to the Company stating the purpose. If the Company has a reasonable basis to believe that the shareholder's inspection of accounting books and accounting vouchers has an improper purpose and may harm the legitimate interests of the Company, it may refuse to provide such inspection, and shall reply to the shareholder in writing and explain the reasons within 15 days from the date of the shareholder's written request. If the Company refuses to provide inspection, the shareholder may file a lawsuit with the court of the PRC.

If the content of the resolution of the Company's Shareholders' meeting or board of directors violates laws, administrative regulations, the Shareholders have the right to request the people's court to clarify it invalid.

If the convening procedures or voting methods of the Shareholders' meeting or the board of directors violate laws, administrative regulations or the Articles of Association, or the content of the resolution violates the Articles of Association, the Shareholders have the right to request the people's court to revoke the resolution within 60 days from the date on which the resolution is made. Provided that this shall not apply if the procedure for convening meetings or the voting method of the Shareholders' meeting and the board of directors have only minor defects that have not had a material impact on the resolutions.

In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations or Articles of Association by the directors or senior management other than members of the Audit Committee when performing their duties in the Company, the Shareholders holding more than 1% shares separately or jointly for over 180 consecutive days may submit a written request to the Audit Committee to file an action with the people's court. Where members of the Audit Committee violate laws, administrative regulations or the Articles of Association in their duty performance and cause loss to the Company, the above Shareholders may submit a written request to the board of directors to file an action with the people's court.

In the event that the Audit Committee or the board of directors refuse to file an action upon receipt of the Shareholders' written request specified in the preceding paragraph, or fail to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the Shareholder(s) specified in the preceding paragraph may, in their own name, directly file an action to the people's court for the interest of the Company.

The obligations of Shareholders are as follows:

(i) To abide by laws, administrative regulations, departmental rules, the securities regulatory rules where the Company's shares are listed and the Articles of Association;

(ii) To provide Share capital according to the Shares subscribed and the subscription methods;

(iii) Not to withdraw Shares unless prescribed otherwise in laws, administrative regulations of departments and securities regulatory rules;

(iv) Shareholders of the Company shall not abuse their shareholder rights to prejudice the interests of the Company or other shareholders; where a shareholder of the Company abuses its shareholder rights and causes losses to the Company or other shareholders, such shareholder shall be liable for compensation in accordance with law;

(v) Not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors; shareholders of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously harm the interests of the Company's creditors, such shareholder shall be jointly and severally liable for the Company's debts; where a shareholder of the Company uses two or more companies controlled by him to commit the acts specified above, each of such companies shall be jointly and severally liable for the debts of any of such companies.

(vi) To perform other duties prescribed in laws, administrative regulations, regulations of departments, securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

Any company Shareholder who abuses Shareholders' rights and causes the Company or other Shareholders to suffer a loss shall be liable for making compensation in accordance with the law. Any Shareholder who abuses the status of the Company as an independent legal entity or the limited liability of Shareholders to evade debts and seriously damages the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

If a shareholder holding more than 5% of the voting shares of the Company pledges the shares he holds, he or she shall make a written report to the Company from the date of occurrence of such fact and make a declaration in accordance with applicable relevant laws and regulations. Provided that this shall not apply to Hong Kong Securities Clearing Company Limited, Hong Kong Securities Clearing (Nominees) Limited, and other circumstances as prescribed by the China Securities Regulatory Commission (CSRC), the securities regulatory authority and the stock exchange of the place where the Company's shares are listed.

SHAREHOLDERS' MEETING

General Rules for the Shareholders' Meeting

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 or change the Directors and Supervisors and to decide on the matters relating to the remuneration of the Directors and Supervisors;

(ii) To consider and approve the reports of the Board of the Directors;

(iii) To examine and approve the Company's proposals for profit distribution plans, profit distribution policy adjustment plan and loss recovery plans;

(iv) To decide on any increase or reduction of the Company's registered capital;

(v) To resolve on the issuance of corporate bonds or the issuance and listing application of other securities;

(vi) To consider matters that the Company purchased or sold or guaranteed major assets within one year exceeding 30% of the Company's latest audited total assets;

(vii) To approve the discloseable transactions that require the approval of the Shareholders' meeting in accordance with the provisions of laws, administrative regulations, the laws, regulations and listing rules of the place where the Company's shares are listed (including but not limited to Chapter 14 of the Hong Kong Listing Rules) and the Articles of Association;

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

(ix) To amend the Articles of Association;

(x) To adopt resolutions on the appointment and removal of the accounting firm engaged to conduct the Company's audit business and the remuneration of such accounting firm;

(xi) To consider the proposals submitted by shareholders holding one percent (1%) or more of the Company's voting shares;

(xii) To consider and approve the Company-level share plan;

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

(xiv) To approve the connected transactions or continuing connected transactions that require the approval of the Shareholders' meeting in accordance with the provisions of laws, administrative regulations, the laws, regulations and listing rules of the place where the Company's shares are listed, and the Articles of Association (including but not limited to Chapter 14A of the Hong Kong Listing Rules);

(xv) To consider other matters that shall be decided by the Shareholders' meeting in accordance with the provisions of laws, administrative regulations, departmental rules, normative document, and the securities regulatory rules of the place where the Company's shares are listed.

The Shareholders' meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds.

Except as otherwise provided in the Articles of Association, the above powers of the general meeting shall not be conferred to the Board or other authority and individual through authorization.

Subject to the mandatory provisions of the relevant laws, regulations and normative documents of the PRC, as well as the mandatory provisions of the laws, regulations and listing rules of the place where the Company's shares are listed, if the Company's guarantee transactions meet any of the following criteria, such transactions shall, after being deliberated and approved by the board of directors, be submitted to the Shareholders' meeting for deliberation and approval:

(i) The single guarantee for an amount more than 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 holding subsidiaries of the Company has exceeded 50% of the Company's audited net assets in the latest period;

(iii) Any guarantee to be provided for a party whose ratio of liabilities to assets exceeds 70%;

(iv) Guarantees provided by the Company where the total amount of guarantees within one year exceeds thirty percent (30%) of the Company's latest audited total assets;

(v) Any guarantee provided by the Company after the total amount of its external guarantees exceeds thirty percent (30%) of its latest audited total assets;

(vi) The guarantee to be provided to a Shareholder, or to an actual controller or related party thereof;

(vii) Other guarantee circumstances as prescribed by the stock exchange of the place where the Company's shares are listed or the Articles of Association.

Without violating the relevant laws, regulations and normative documents, as well as the securities regulatory rules of the place where the Company's shares are listed, the Company may be exempt from complying with the provisions of Items (i) to (iii) of this Article if it provides guarantees to its wholly-owned subsidiaries, or provides guarantees to its controlling subsidiaries where other shareholders of the controlling subsidiary provide guarantees in the same proportion to their respective equity interests, and such guarantees do not prejudice the Company's interests.

General meetings consist of annual general meetings and extraordinary general meetings. The annual general meeting shall be held once every financial year within six months after the end of the previous financial 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 our Company reach one-third of its total paid-in share capital;

(iii) The Shareholders with 10% or more shares of the Company separately or jointly request;

(iv) The Board considers it necessary;

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

(vi) Other circumstances conferred by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association

Convening of Shareholders' Meetings

The Shareholders' meeting shall be convened by the board of directors in accordance with law. Subject to the provisions of the Articles of Association, the Audit Committee or shareholders may convene the Shareholders' meeting on their own initiative.

Independent Non-Executive Directors shall have the right to propose to the board of directors the convening of an extraordinary Shareholders' General Meeting. With respect to the proposal by the Independent Non-Executive Directors to convene an extraordinary Shareholders' General Meeting, the board of directors shall, in accordance with the provisions of laws, administrative regulations, the laws, regulations and listing rules of the place where the Company's shares are listed, and the Articles of Association, issue a written response stating its agreement or disagreement to convene such meeting within ten days of receiving the proposal.

If the board of directors agrees to convene a special Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after making the board resolution. Any modification to the original proposal in the notice shall require the unanimous consent of the Independent Non-Executive Directors who proposed the convening of the extraordinary Shareholders' General Meeting; if the board of directors disagrees to convene the extraordinary Shareholders' General Meeting, it shall state the reasons therefor or otherwise notify all directors and shareholders.

Where the Audit Committee propose to the board of directors to convene a special Shareholders' meeting, it shall submit such proposal in writing to the board of directors. The board of directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and this Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene a special Shareholders' meeting.

If the board of directors disagrees to convene a special Shareholders' meeting, or fails to provide feedback within ten days of receipt, it shall be deemed that the board of directors is unable or fails to perform its duty to convene the Shareholders' meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than ten percent of the Company's shares (including preference shares with restored voting rights) and requests the board of directors to convene a special Shareholders' meeting shall submit such request in writing to the board of directors. The board of directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Company's Articles of Association, provide a written response within ten days of receipt, indicating whether it agrees or disagrees to convene a special Shareholders' meeting.

If the board of directors agrees to convene a special Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after making the board resolution. Any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders.

If the board of directors disagrees to convene a special Shareholders' meeting, or fails to provide feedback within ten days of receipt, Shareholders who individually or collectively hold more than ten percent of the Company's shares (including preference share with restored voting rights) and propose to the Audit Committee to convene a special Shareholders' meeting shall submit such request in writing to the Audit Committee.

If the Audit Committee agrees to convene a special Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after receiving the request. Any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders.

If the Audit Committee fails to issue a notice of the Shareholders' meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the Shareholders' meeting. In such cases, Shareholders who individually or collectively hold more than ten percent of the Company's shares (including preference shares with restored voting rights) for a continuous period of 90 days or more may convene and preside over the meeting on their own.

Proposals And Notices Of Shareholders' Meetings

The Company may convene a Shareholders' meeting, and the board of directors, the Audit Committee, as well as Shareholders who individually or collectively hold more than one percent of the Company's shares (including preference shares with restored voting rights), have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than one percent of the Company's shares (including preference shares with restored voting rights) may submit a temporary proposal in writing to the convener ten days prior to the Shareholders' meeting. The convener shall issue a supplementary notice of the Shareholders' meeting within two days after receiving the proposal, announcing the content of the temporary proposal, and submit such temporary proposal to the Shareholders' meeting for review. However, this does not apply if the temporary proposal violates the provisions of laws, administrative regulations, or the Company's Articles of Association, or if it is not within the scope of the Shareholders' meeting's authority. If, according to the securities regulatory rules of the place where the Company's shares are listed, the Shareholders' meeting must be postponed due to the issuance of a supplementary notice, the meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's stock is listed. The Company shall not increase the shareholding required for the Shareholders to submit the temporary proposals.

Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the Shareholders' meeting, it shall not modify the proposals already listed in the notice or add new proposals.

When the Company convenes a Shareholders' meeting, the Convener shall notify all shareholders in writing at least twenty-one days prior to the convening of the annual Shareholders' meeting or the time required by the rules of the place where the Company's shares are listed (whichever is earlier); and at least fifteen days prior to the convening of the extraordinary Shareholders' meeting or the time required by the rules of the place where the Company's shares are listed (whichever is earlier).

Convening Of Shareholders' Meetings

All Shareholders of ordinary shares (including preference Shareholders with restored voting rights) and Shareholders holding shares with special voting rights or their proxies registered on the record date for equity registration shall be entitled to attend the Shareholders' meeting. They shall have the right to speak and exercise voting rights in accordance with relevant laws, regulations, and the Articles of Association (unless individual Shareholders are required to abstain from voting on certain matters under the securities regulatory rules of the place where the Company's stock is listed). Shareholders may attend the Shareholders' meeting in person or appoint a proxy to attend, speak and vote on their behalf.

Where a shareholder is a legal person or other institution, its legal representative/managing partner or a proxy authorized by the legal representative/managing partner shall be entitled to attend the shareholders' meeting of the Company. The legal representative/managing partner attending the meeting shall present his/her own identity card and valid proof that can indicate his/her qualification as the legal representative/managing partner. If the legal representative/managing partner authorizes a proxy to attend the meeting, the proxy attending the meeting shall present his/her own identity card and the power of attorney issued by the legal representative/managing partner of the shareholder as a legal person or other institution in accordance with the law and exercise the voting right within the scope of authorization.

The proxy form issued by a Shareholder for a general meeting shall specify:

(i) The name of the principal, class and number of shares of the Company held by the principal;

(ii) The name of the proxy and the number of shares represented by such proxy;

(iii) Whether the proxy is entitled to voting rights;

(iv) Specific instructions of the shareholder, including instructions to cast an affirmative, negative or abstention vote on each matter under consideration included in the agenda of the Shareholders' General Meeting;

(v) Whether temporary proposals that may be included in the agenda of the Shareholders' General Meeting are entitled to voting rights, and if so, specific instructions on the type of voting rights to be exercised;

(vi) The date and validity of the proxy form;

(vii) The signature (or seal) of the appointing Shareholder; if the appointing Shareholder is a legal person/other organization, the seal of the legal person/other organization shall be affixed.

(viii) Other requirements stipulated by laws, administrative regulations, normative documents, the securities regulatory rules where the Company's shares are listed, or the Articles of Association.

The proxy form shall contain a statement that in the absence of instructions from the Shareholder, his/her proxy may vote at his/her discretion.

If the power of attorney authorizing voting rights is authorized by the principal to be signed by others, the power of attorney signed under authorization or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents, and the voting proxy form shall be kept at the Company's domicile or at other places as may be specified in the notice of convening the meeting.

A shareholders' meeting shall be presided by the chairman of the Board of Directors. If the chairman of the Board of Directors is unable or fails to perform his/her duties, a director jointly elected by a majority of the directors shall preside over the meeting.

A shareholders' meeting convened by the Audit Committee of its own accord shall be presided over by the chairman of the Audit Committee. If the chairman of the Audit Committee is unable or fails to perform his/her duties, a member of the Audit Committee jointly elected by a majority of the member of the Audit Committee shall preside over the meeting.

The shareholders' meeting convened by shareholders of their own accord shall be presided over by the convener or a representative elected by the convener.

When a shareholders' meeting is held and the chairman violates the rules of procedure in a way that makes it difficult for the Shareholders' meeting to continue, a person may be elected at the shareholders' meeting to act as the chairman so as to carry on with the meeting, subject to the approval of a majority of the attending shareholders holding voting rights.

The shareholders' meeting has meeting minutes, which shall include the following contents:

(i) Date, location, agenda, and name of the convener of the meeting;

(ii) The name of the meeting chairman, the directors, the Chief Executive Officer and other senior management officers attending or attending the meeting as non-voting participants;

(iii) Number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by such shareholders, and the proportion over total shares of the Company;

(iv) Consideration and approval process, key points of discussion, and voting results for each proposal;

(v) Shareholders' inquiries or suggestions and corresponding responses or explanations;

(vi) Names of tellers and scrutineers;

(vii) Other matters that shall be included in the meeting minutes as prescribed by the laws, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Voting and Resolutions of General Meeting

Resolutions of Shareholders at the general meeting shall take the forms of ordinary resolutions and special resolutions.

Ordinary resolution of the Shareholders' General Meeting shall be adopted by attending Shareholders (including their proxies) holding at least one-half of the voting rights.

Special resolution of the Shareholders' General Meeting shall be adopted by attending Shareholders (including their proxies) holding at least two-thirds of the voting rights.

The following matters shall be passed by an ordinary resolution at a general meeting of Shareholders:

(i) Reports on the work of the Board of Directors;

(ii) The profit distribution plan and the plan for making up losses proposed by the Board of Directors;

(iii) The appointment and removal of directors who are not representatives of employees, as well as their remuneration and payment methods;

(iv) The Company's annual report, balance sheet, income statement and other financial statements;

(v) The appointment, removal or non-renewal of the engagement of the accounting firm engaged to conduct the Company's audit business, as well as the remuneration of such accounting firm;

(vi) Other major matters beyond the investment and decision-making authority of the board of directors as prescribed by the Articles of Association;

(vii) Any other matters not otherwise required by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the places where the Company's shares are listed or the Articles of Association to be passed by special resolution.

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

(i) The increase or decrease of the Company's registered capital, and the issuance of any class of shares, warrants and other similar securities;

(ii) The making of resolutions on corporate bonds;

(iii) The separation, division, merger, division, dissolution and liquidation of the Company;

(iv) The purchase or sale of material asset(s) or the provision of guarantee(s) by the Company within one year with amount(s) exceeding 30% of the Company's latest audited total assets;

(v) The consideration of guarantee matters where the total amount of the Company's guarantees within a consecutive twelve-month period exceeds thirty percent (30%) of the Company's latest audited total assets;

(vi) Amendments to the Articles of Association of the Company;

(vii) equity incentive plans;

(viii) Any other matters prescribed by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules where the Company's shares are listed or the Articles of Association, and those matters approved by ordinary resolution at a shareholders' meeting as having a material impact on the Company and are required to be approved by a special resolution.

No voting rights shall be attached to the shares held by the Company, and such shares shall not be counted among the total number of voting shares held by the Shareholders present at a general meeting.

DIRECTORS

Directors of the Company shall be natural persons. A natural person who falls into any of the following circumstances shall not serve as director of the Company:

(i) a person who suffers from any incapacity or restricted capacity from undertaking civil liabilities;

(ii) a person who has been convicted of and sentenced for offences relating to corruption, bribery, trespass to assets, misappropriation of assets or causing socialist market economy disorder and a period of 5 years has not elapsed since the completion of the term of the sentence or deprivation or who has been deprived of his political rights and imposed a suspended sentence as a result of he/she having committed an offence and a period of 2 years has not elapsed since the completion of the term of the suspended sentence;

(iii) a person who is a director or factory manager or manager of a company or enterprise which has become insolvent and liquidated and who incurs personal liability for the insolvency of that company or enterprise, and a period of 3 years has not elapsed since the date of completion of insolvent liquidation of that company or enterprise;

(iv) a person who is a legal representative of a company or enterprise, the business license of which is revoked and ordered to close down on the grounds of contravention of law, and who incur personal liability therefor, and a period of 3 years has not elapsed since the date of revocation of the business license of that company or enterprise or that company or enterprise being ordered to close down;

(v) a person who has been as a dishonest party by the People's Court due to with comparatively large debts that have fallen due but have not been settled;

(vi) a person who is currently being prohibited from participating in securities market by the CSRC and who has been publicly determined by a stock exchange to be not suitable to act as a director of the Company, where the term has not yet expired;

(vii) other matters stipulated by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules or securities regulatory rules of the place where the shares of the Company are listed.

Any election or appointment of a director in violation of the provisions above shall be invalid. If a Director becomes subject to any of the circumstances listed in the provisions above during their term of office, the Company shall terminate their position.

Directors who are not representatives of employees shall be elected or replaced by the Shareholders' General Meeting for a term of three (3) years. Upon the expiry of a director's term of office, such director may be re-elected for consecutive terms, save as otherwise provided by the relevant laws and regulations, the laws, regulations and listing rules of the place where the Company's shares are listed, and the Articles of Association. Pursuant to the Hong Kong Listing Rules, every director (including directors with a specified term of office) shall retire by rotation at least once every three (3) years.

A Director who fails to attend two consecutive meetings of the Board in person or to delegate other Directors to attend the meetings on his/her behalf shall be deemed to be incapable of performing his/her duties, and the Board shall propose to the general meeting to remove such Director.

Where a director, in performing his duties for the Company, causes damage to any other person, the Company shall be liable for compensation; where the director is guilty of intentional misconduct or gross negligence, he shall also be liable for compensation. Where a director, in performing his duties for the Company, violates any provisions of laws, administrative regulations, departmental rules, the laws, regulations and listing rules of the place where the Company's shares are listed or the Articles of Association, thereby causing losses to the Company, he shall be liable for compensation.

The board of directors of the Company shall include Independent Non-Executive Directors. The number of Independent Non-Executive Directors shall be no less than three and shall account for no less than one-third of the total number of directors. Among them, there shall be at least one Independent Non-Executive Director with appropriate professional qualifications or relevant expertise in accounting or financial management, and at least one Independent Non-Executive Director who is ordinarily resident in Hong Kong.

BOARD OF DIRECTORS

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

(i) To convene general meetings and to report on its work at the general meetings;

(ii) To implement resolutions of the general meetings;

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

(iv) To prepare proposals for profit distribution and for making up accrued losses of the Company;

(v) To prepare proposals for the increase or reduction of share capital and the issue of bonds of the Company or other securities and listing plans;

(vi) To formulate proposals for the merger, demerger, dissolution or change in the form of the Company;

(vii) To formulate proposals for major acquisitions and purchase of the Company's shares;

(viii) To appoint or dismiss the president, secretary to the Board of Directors and other senior management members of the Company and at the recommendation of the president, to appoint or dismiss the standing vice president, executive vice president, chief financial officer and other senior management members of the Company, and to determine matters relating to their remuneration, rewards and punishments;

(ix) To decide on the establishment of internal management organization of the Company;

(x) Formulate the composition of the special committees of the board of directors in accordance with the listing rules of the place where the Company's shares are listed;

(xi) To formulate the basic management system of the Company;

(xii) To prepare proposals for the amendment of the Company's Articles of Association;

(xiii) File an application for bankruptcy on behalf of the Company;

(xiv) Consider and approve the listing and trading of the unlisted shares held by the Company's shareholders on overseas stock exchanges;

(xv) Consider and approve the transactions that shall be subject to the deliberation and approval of the board of directors in accordance with the provisions of laws, regulations, the laws, regulations and listing rules of the place where the Company's shares are listed, and the Articles of Association (including but not limited to discloseable transactions and connected transactions);

(xvi) Within the scope authorized by the Shareholders' General Meeting, formulate and examine and approve the Company's matters in respect of external investments, acquisition and disposal of assets, asset mortgage, external guarantees, entrusted financial management, connected transactions and other relevant matters;

(xvii) To manage disclosure of information concerning the Company;

(xviii) To propose to general meeting for the engagement or change of the accounting firm that provides audit for the Company;

(xix) To receive reports and examine the work of the president of the Company;

(xx) Be responsible for formulating the Company's purpose, values and strategies and ensuring their consistency with the Company's culture;

(xxi) Formulate and review the Company's corporate governance policies and practices and put forward recommendations to the board of directors;

(xxii) Review and monitor the training and continuous professional development of directors and senior management personnel;

(xxiii) Review and monitor the Company's policies and practices in compliance with laws and regulatory requirements;

(xxiv) Formulate, review and monitor the codes of conduct and compliance manuals for employees and directors;

(xxv) Review the Company's compliance with the Corporate Governance Code under the Hong Kong Listing Rules and the disclosure in the corporate governance report;

(xxvi) Such other functions and power as authorized by the laws, administrative regulations and departmental rules, normative documents, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The Board of Directors shall have a chairman. The chairman of the Board of Directors shall be elected by a majority of all directors of the Board of Directors.

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

(i) To preside over the shareholders' meeting and to convene and preside over the meetings of the Board of Directors;

(ii) To supervise and inspect the implementation of resolutions of the Board of Directors;

(iii) To sign the Company's shares, corporate bonds and other negotiable securities;

(iv) To sign material documents of the Board of Directors;

(v) To exercise any other functions and powers conferred by the Board of Directors;

(vi) Exercise other powers as designated by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

The board meetings include regular meetings and extraordinary meetings. No less than four regular board meetings shall be held each year. Such regular meetings shall be convened by the chairman of the board, with the notice thereof being given in writing to all directors fourteen days prior to the meeting date.

A meeting of the Board of Directors shall be held with the attendance of a majority of the Directors. Subject to the relevant PRC laws, administrative regulations, regulations of the authority, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, resolutions made by the Board of Directors shall be passed by a majority of all Directors.

When voting on the resolutions of the Board of Directors, each director shall have one vote.

GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS

The Company has one Chief Executive Officer, who shall be appointed or dismissed by the board of directors. The CEO, Vice CEO, CFO, Secretary of the Board and Financial Controller of the Company shall be the senior management personnel of the Company.

The CEO is accountable to the Board of Directors and exercises the following functions and powers:

(i) To be in charge of the production, operation and management of the Company, to organize and implement the resolutions of the Board of Directors, and to report to the Board of Directors;

(ii) To organize the implementation of the Company's annual business plans and investment plans; implement the Company's financial budget plan;

(iii) To formulate proposals for the establishment of the Company's internal management structure and basic management systems;

(iv) To formulate the rules and regulations of the Company;

(v) To propose to the Board of Directors the appointment and dismissal of the Vice CEO, CFO, Secretary of the Board and Financial Controller;

(vi) To decide on the appointment and dismissal of the management officers other than those required to be employed or dismissed by the Board of Directors;

(vii) To propose the convening of extraordinary meetings of the board of directors;

(viii) To exercise the powers specified in the Detailed Rules for the Performance of Duties of the CEO;

(ix) To exercise other functions and powers conferred by the Articles of Association and the Board of Directors

The CEO may attend meetings of the Board of Directors as a non-voting participant.

The Company shall appoint a secretary to the Board. The Secretary of the Board shall be a member of the senior management personnel of the Company and shall be accountable to the board of directors.

The principal duties of the Secretary of the Board shall be as follows:

(i) Ensure that the Company maintains complete organizational documents and records;

(ii) Ensure that the Company prepares and submits all reports and documents required by the competent authorities in accordance with applicable laws;

(iii) Ensure that the Company's register of members is properly maintained, and that all persons entitled to access the Company's relevant records and documents are provided with such records and documents in a timely manner;

(iv) Provide secretarial services to the directors of the Company to ensure that the procedures of the board of directors and all applicable laws, rules and regulations are complied with;

(v) Perform other duties as prescribed by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Financial and Accounting Systems

The Company shall establish its financial and accounting system in accordance with the law, administrative regulations and the provisions stipulated by the relevant authorities of the PRC. If the financial and accounting system is otherwise provided in the Hong Kong Listing Rules or relevant regulatory rules of the places where the Company's shares are listed, such regulatory rules shall prevail.

The accounting year of the Company shall be consistent with the Gregorian calendar year, i.e. from 1 January to 31 December on the Gregorian calendar.

The Company shall prepare its financial report at the end of each fiscal year, which shall be audited by an accounting firm in accordance with applicable laws. The financial report shall be prepared in compliance with the provisions of applicable laws, administrative regulations, rules issued by the relevant national authorities, as well as the laws, regulations, departmental rules, normative documents and the securities regulatory rules of the place where the Company's shares are listed.

The Company's financial statements shall be prepared not only in accordance with the Accounting Standards for Business Enterprises in China and the relevant applicable laws and regulations, but also in accordance with the International Financial Reporting Standards or the accounting standards of the place where the Company's shares are listed overseas. If there are material discrepancies between the financial statements prepared under the two sets of accounting standards, such discrepancies shall be specified in the notes to the financial statements. When the Company distributes the after-tax profits of the relevant fiscal year, it shall be based on the lower amount of the after-tax profits shown in the aforementioned two sets of financial statements.

The Company shall not maintain books of accounts other than those provided for by law. No assets of the Company shall be deposited into any account opened in the name of any individual.

Profit Distribution

The profit distribution plan of the Company for each fiscal year shall be considered and approved at the meeting of the Shareholders' General Meeting. The after-tax profits of the Company shall be distributed in the following proportions and order:

(i) To making up for losses;

(ii) To appropriating statutory reserve fund (to be appropriated at the rate of ten percent (10%) of the current year's after-tax profits);

(iii) To appropriating discretionary reserve funds upon the adoption of a resolution by the Shareholders' General Meeting;

(iv) To paying dividends to shareholders.

When the cumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further allocations is required. After appropriating the statutory reserve fund, the decision on whether to appropriate discretionary reserve fund and the applicable appropriation ratio shall be made by the Shareholders' General Meeting.

If the Company's statutory reserve fund is not sufficient to cover its losses in the previous years, the profits of the current year shall be used to make up such losses before appropriating the statutory reserve fund.

The remaining after-tax profit after the Company has covered losses and extracted surplus reserves shall be distributed in proportion to the shares held by the Shareholders, unless otherwise specified under the Articles of Association.

If the Shareholders' meeting distributes profits to shareholders in violation of the provisions of the Company Law, shareholders shall return to the Company the profit distributed in violation of the provision; if losses are caused to the Company, the shareholders, the responsible Directors and senior management shall be liable for compensation.

The Company's shares held by the Company are not entitled to any profit distribution.

The reserve funds of the Company may be applied for making up for losses of the Company, expansion of the Company's production and operation or increase the capital of the Company. When applying the reserve funds to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be used first; if such funds are still insufficient to make up for losses, the capital reserve fund may be applied in accordance with relevant provisions.

Where the statutory reserve fund is converted into capital, the balance of the reserve fund shall not fall below 25% of the Company's registered capital prior to such conversion.

The Shareholders' meeting adopting a resolution on the profit distribution plan, the Company's board of directors shall complete the distribution of dividends (or shares) within two (2) months from the date of the Shareholders' meeting.

Internal Auditing

The Company shall adopt an internal audit system, clarifying the leadership system, responsibilities, authority, staffing, financial security, use of audit results and accountability for internal audit work. The internal audit system of the Company shall be implemented upon approval by the Board of Directors and disclosed to the public.

The internal audit institution of the company shall supervise and inspect the business activities, risk management, internal control and financial information of the company.

The internal audit institution of the Company shall be responsible to the Board of Directors.

Appointment of Accountant Firm

The Company shall appoint an accounting firm that complies with the provisions of the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed to conduct audits of accounting statements, verification of net assets, and other related consulting services.

The term of engagement of an accounting firm by the Company shall be one year, commencing from the conclusion of each annual general meeting of the Company until the conclusion of the next annual general meeting, and may be renewed.

The Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information to the appointed accounting firm without any refusal, concealment or misrepresentation.

The audit fees of the accounting firm shall be determined by the shareholders' meeting.

When the Company removes or does not renew the appointment of the accounting firm, it shall notify the accounting firm 10 days in advance, and the accounting firm shall be allowed to state its opinions when the Company's shareholders' meeting votes on the removal of the accounting firm. If the accounting firm resigns, it shall make clear to the shareholders' meeting whether there is any impropriety on the part of the Company.

NOTICE

Notices of the Company may be delivered through the following means:

(i) By hand;

(ii) By mail;

(iii) By facsimile or email;

(iv) By means of publishing announcements on the websites or newspapers designated by the Company and the stock exchange, in accordance with the requirements of the laws, regulations and the laws, regulations and listing rules of the place where the Company's shares are listed;

(v) By other forms as may be agreed in advance by the Company or the person receiving the notice, or as may be approved by the person receiving the notice after receipt of the notice;

(vi) By other forms as may be recognized by the laws, regulations, relevant regulatory authorities of the place where the Company's shares are listed or as may be provided for in the Articles of Association;

(vii) In respect of the manner in which the Company provides or sends corporate communications to H Shareholders in accordance with the requirements of the Hong Kong Listing Rules, the Company may provide or send corporate communications to H Shareholders via the Company's designated website and/or the website of the Stock Exchange of Hong Kong or by electronic means, provided that such manner complies with the laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Notices given by the Company by way of announcements shall be deemed to be received by all parties concerned once published. Where otherwise provided by the regulatory authorities of the place where the Company's shares are listed, such provisions shall prevail.

For a notice of the Company delivered by hand, the notice shall be deemed to have been received upon signing (or affixing the seal) by the recipient on the note of receipt and the receipt date shall be the date of delivery. If the notice is delivered by post, it shall be deemed to have been received on the second working day from the date upon which the post office receives the notice. If the notice is delivered by email, it shall be deemed to have been received on the date the e-mail arrives at the information system of the person to be served. If the notice is delivered by way of announcement, it shall be deemed to have been received by all relevant persons on the date on which the announcement is published.

The accidental omission to give a meeting notice to, or the failure of receipt of the meeting notice by, a person entitled to receive notice shall not invalidate any meeting and any resolution passed thereat.

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

Merger, Demerger, Capital Increase and Reduction

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

Merger by absorption refers to the merger realized by a company through the absorption of other companies, in which case the absorbed companies are dissolved. Merger by the establishment of a new entity refers to the merger of two or more companies to create a new company, in which case the merging parties are dissolved.

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

In the event of a division, the Company shall prepare balance sheets and inventories of properties. The Company shall notify its creditors within 10 days from the date on which a resolution is adopted in favor of the division and shall publish an announcement in a newspaper or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

Unless otherwise agreed in writing between the Company and its creditors in relation to the repayment of debts before the division, the surviving companies after the division shall be jointly and severally liable for the debts of the Company which have been incurred before such division.

The Company shall prepare balance sheets and inventories of properties when it reduces its registered capital.

The Company shall notify its creditors within 10 days from the date on which a resolution to reduce the registered capital is adopted and shall publish an announcement in a newspaper or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right to require the Company to repay its debts or to provide a corresponding guarantee for such debts within 30 days from the date it receives the relevant notice or, in the case of a creditor who did not receive such notice, within 45 days from the date of the relevant announcement.

Dissolution and Liquidation

The Company shall be dissolved in any of the following circumstances:

(i) The business period specified in the Articles of Association is expired or other causes of dissolution specified therein take place;

(ii) The shareholders' meeting resolves to dissolve the Company;

(iii) Dissolution is necessary due to a merger or demerger of the Company;

(iv) The business license is revoked, or the company is ordered to close or be shut down according to law;

(v) Where the Company has experienced material difficulties in operation and management, and the continuous operation would lead to substantial losses to the interests of its shareholders and there are no other solutions to resolve the matters, shareholders holding 10% or more of the total voting rights of the Company may appeal to the People's Court for dissolution of the Company.

When causes for the dissolution as stipulated in the preceding paragraph occur, it shall disclose the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten days.

Where the Company is in the situation described in items (i) and (ii) above and has not distributed any property to shareholders, it may continue to exist by amending the Articles of Association or a resolution passed by the general meeting.

The amendments to the Articles of Association in accordance with the provisions in the preceding article shall require the approval of at least two-thirds of the voting rights held by Shareholders attending the general meeting.

If the Company is dissolved under items (i), (ii), (iv) or (v) above, a liquidation committee shall be set up, which shall start liquidation within 15 days from the date of occurrence of the cause for dissolution. The members of such liquidation committee shall be determined by the Directors or the Shareholders' meeting.

The liquidation committee shall notify all creditors within 10 days after its establishment and shall publish within 60 days in newspapers or the National Enterprise Credit Information Publicity System. The creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice or within 45 days from the date of the announcement if they have not received the notice.

A creditor declaring a claim shall state the matters to which the claim relates and provide supporting documents. The liquidation committee shall register the claim.

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

The liquidation committee shall formulate a liquidation plan after dealing with the Company's assets and compiling a balance sheet and a list of assets, and report it to a general meeting or the people's court for confirmation.

The remaining assets of the Company after paying the liquidation expenses, employees' wages, social insurance costs and statutory compensation, paying the outstanding taxes and settling the Company's debts respectively, shall be distributed to the shareholders of the Company in proportion to their shareholding.

During the liquidation period, the Company shall exist, but cannot engage in operating activities that are not related to the liquidation. The assets of the Company shall not be distributed to the shareholders until it has been liquidated in accordance with the preceding paragraph.

If the liquidation committee, after examining the assets of the Company and preparing the balance sheet and a list of assets, finds that the assets of the Company is insufficient to satisfy its debts, it shall, in accordance with the law, apply to the People's Court to declare the Company's bankruptcy.

Following a ruling by the people's court that the Company is declared bankrupt, the liquidation committee shall hand over all matters relating to the liquidation to the bankruptcy administrator appointed by the people's court.

Following the completion of the liquidation of the Company, the liquidation committee shall make a liquidation report, report to the general meeting of or the People's Court for confirmation, and submit it to the company registration authority, apply for cancellation of the company registration.

Liquidation of a company declared bankrupt in accordance with the laws shall be processed in accordance with the laws of corporate bankruptcy.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

The Company shall amend its articles of association in one of the following circumstances:

(i) Subsequent to the amendment of the Company Law or relevant laws, regulations, regulations of departments, securities regulatory rules, securities regulatory bodies in the places where the shares of the company and other securities regulatory rules, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws, regulations, regulations of departments, securities regulatory rules, securities regulatory bodies in the places where the shares of the company are listed (In respect of the contents of the aforementioned conflicting provisions, prior to the completion of the amendment of the Articles of Association in accordance with the law, such contents shall be subject to the provisions of the relevant laws, administrative regulations, departmental rules, normative documents, and the laws, regulations and listing rules of the place where the Company's shares are listed.);

(ii) The Company has experienced changes, resulting in matters inconsistent with those recorded in the Articles of Association;

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

Matters of amendment to the Articles of Association adopted by a resolution of the Shareholders' meeting is subject to the examination and approval of the competent authority, such amendment shall be submitted to the competent authority for approval; where any amendment to the Articles of Association adopted by a resolution of the Shareholders' meeting involves the Company's registration particulars, the Company shall complete the formalities for alteration of registration in accordance with the 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.

Matters of amendment of the Articles of Association are information required to be disclosed by laws and regulations and shall be announced in accordance with the regulations.