This appendix is primarily intended to provide investors with a summary of the Articles of Association.

The following information is a summary only and may not contain all information that may be important to potential investors.

GENERAL PROVISIONS

The Company is a joint stock limited company established in accordance with the provisions of the Company Law and other relevant laws, administrative regulations, departmental rules and normative documents. The Company was converted into a joint stock limited company in its entirety from the former Union Semiconductor (Hefei) Limited Liability Company (合肥新匯成微電子有限公司) (hereinafter referred to as the "**Limited Liability Company**"), succeeding to all assets, liabilities and businesses of the former Limited Liability Company, and all shareholders of the Limited Liability Company became the promoters of the Company.

The Company is a joint stock limited company that has perpetual existence.

The Company shall bear the legal consequences arising from the civil activities conducted by the legal representative in the name of the Company.

Any restrictions on the functions and powers of the legal representative imposed by the Articles of Association or the shareholders' general meeting shall not be asserted against a bona fide third party. Where the legal representative causes damage to others in the performance of his/her duties, the Company shall assume civil liability. After the Company assumes civil liability, it may seek recourse from the legal representative at fault in accordance with the law or the Articles of Association.

The shareholders' liabilities to the Company shall be limited to the amount of the shares that they have subscribed for, and the Company assumes liabilities for its debts to the extent of its entire assets.

These Articles of Association shall, from the date on which they come into effect, constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders, and a legally binding document for the Company, shareholders, directors and senior management. In accordance with these Articles of Association, a shareholder may sue other shareholders, shareholders may sue the directors and senior management personnel of the Company, shareholders may sue the Company, and the Company may sue its shareholders, directors and senior management personnel.

PURPOSES AND SCOPE OF BUSINESS

The business purposes of the Company: professionalism, value and service.

Upon legal registration, the business scope of the Company is: development, production, packaging, testing, sales and after-sales services of semiconductor integrated circuit products and semiconductor specialized materials. (For projects subject to approval according to law, business activities may only be carried out after approval by relevant departments).

SHARES

Issuance of Shares

The shares of the Company shall be in the form of share certificates.

Issuance of shares of the Company shall follow the principles of openness, fairness and impartiality, and each share of the same class shall have equal rights. Shares of the same class issued at the same time shall be issued under the same conditions and at the same price per share; the same price per share shall be paid for the shares subscribed for by any subscriber.

Increase/decrease and Buyback Of Shares

In light of its operational and development needs, upon resolution of the shareholders' general meeting, the Company may increase its capital in the following ways in accordance with laws and regulations:

(1) by issuing shares to non-specific persons;

(2) by issuing shares to specific persons;

(3) by issuing bonus shares to existing shareholders;

(4) to increase the share capital by way of capitalization of capital reserve;

(5) other methods as provided by laws and administrative regulations and as approved by the CSRC and the securities regulatory authorities of the place where the Company's shares are listed.

During the issuance and subsistence period of the convertible bonds of the Company, matters such as the issuance, procedures and arrangements for conversion, and changes in the share capital of the Company resulting from the conversion shall be implemented in accordance with relevant laws and regulations and the provisions of the prospectus.

The Company may reduce its registered capital. Any reduction of the registered capital of the Company shall be handled in accordance with the Company Law and other relevant regulations as well as these Articles of Association.

The Company may not acquire its own shares. However, this shall not apply in any of the following circumstances:

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

(2) merging with another company that holds shares of the Company;

(3) using the shares for employee share ownership plans or equity incentives;

(4) where any shareholder objects to the resolution of the shareholders' general meeting on the merger or division of the Company and requests the Company to purchase his or her shares;

(5) using shares for the conversion of corporate bonds issued by the Company that can be converted into shares;

(6) as necessary for the Company to maintain its value and shareholders' interests.

Where the Company acquires its own shares under the circumstances set forth in items (3), (5) and (6), such acquisition shall be conducted through an open and centralized transaction method.

Where the Company acquires its own shares under the circumstances set forth in items (1) and (2), such acquisition shall be subject to a resolution of the shareholders' general meeting; where the Company acquires its own shares under the circumstances set forth in items (3), (5) and (6), such acquisition shall be subject to a resolution of a Board meeting attended by more than two-thirds of the directors.

In respect of A Shares, upon the acquisition of its own shares by the Company pursuant to the Articles of Association, in the case of item (1), the acquired shares shall be canceled within 10 days from the date of acquisition; in the case of items (2) and (4), the acquired shares shall be transferred or canceled within 6 months; in the case of items (3), (5) or (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company and such shares shall be transferred or canceled within three years. In respect of H Shares, where laws, regulations and the securities regulatory rules of the place where the Company's shares are listed provide otherwise in relation to matters involving share repurchases, such provisions shall prevail.

Transfer of Shares

Directors and senior management of the Company shall declare to the Company their shareholdings in the Company and the changes therein, and the shares transferred each year during their term of office determined at the time of appointment shall not exceed 25% of the total number of shares of the Company held by them. The shares in 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 aforesaid persons shall not transfer their shares in the Company within half a year after leaving their offices.

Any gains from any sale of shares or any other equity securities of the Company by any shareholder holding 5% or more of the Company's shares, director or senior management personnel within six months after the shares are bought, or any gains from any repurchase of shares of the Company by any of the aforesaid parties within six months after the shares are sold shall be disgorged and paid to the Company, and the Board of Directors of the Company shall recover such gains from the abovementioned parties. However, this shall not apply where a securities company holds 5% or more of the shares due to the purchase of remaining shares after underwriting, where a recognized clearing house and its nominees hold 5% or more of the shares, or under other circumstances as prescribed by the CSRC. Where laws, regulations and the securities regulatory rules of the place where the Company's shares are listed otherwise require, such provisions shall prevail.

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

If the Board of Directors fails to act in accordance with the first paragraph of this Article, shareholders shall have the right to demand the Board of Directors to act within 30 days. If the Board of Directors of the Company fails to act within the aforementioned time limit, the shareholders shall have the right to initiate litigation directly with the People's Court in their own names for the interests of the Company.

In the event that the Board of Directors of the Company does not comply with the provisions of the first paragraph of this Article, the responsible director(s) shall bear joint and several liability in accordance with the law.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

General Provisions for Shareholders

The Company shall establish the register of shareholders in accordance with the documentary proof provided by the securities registration and clearing institution, and the register of shareholders is sufficient proof that the shareholder holds the shares of the Company.

Shareholders shall enjoy rights and assume obligations according to the class of shares held by them; shareholders holding the same class of shares shall enjoy equal rights and assume the same obligations.

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

The shareholders of the Company shall have the following rights:

(1) shareholders shall enjoy the right to earnings, and the right to receive dividends and other distributions in proportion to the number of shares held;

(2) shareholders shall enjoy the right to speak and the right to vote, and may request to convene, call, preside over, attend or appoint a proxy to attend shareholders' general meetings, and exercise the corresponding right to speak and right to vote in accordance with the law;

(3) shareholders shall enjoy the right of supervision, to supervise, raise suggestions on or make enquiries about the operations of the Company;

(4) to transfer, give as a gift or pledge their shares pursuant to the provisions of laws, administrative regulations, departmental rules, normative documents or these Articles of Association;

(5) shareholders shall enjoy the right to information and to obtain relevant information in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents and these Articles of Association, including: the right to inspect and copy the articles of association, register of shareholders, minutes of shareholders' general meetings, and resolutions of the Board meetings of the Company and its wholly-owned subsidiaries, as well as financial and accounting reports; shareholders who meet the requirements may inspect the accounting books and accounting vouchers of the Company;

(6) in the event of dissolution or liquidation of the Company, to participate in the distribution of the remaining assets of the Company according to the number of shares held by them;

(7) to demand that the Company acquire the shares of any shareholder who objects to any resolution regarding a merger or division at a shareholders' general meeting;

(8) other rights under laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the places where the shares of the Company are listed or these Articles of Association.

Where a shareholder requests to inspect or copy relevant information or data in accordance with the provisions of the preceding article, such shareholder shall comply with the provisions of the Company Law, the Securities Law, and other laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

Where the contents of a resolution of the shareholders' general meeting or the Board of Directors of the Company violate laws or administrative regulations, the shareholders shall have the right to petition the People's Court to declare such resolution void.

In respect of any procedure for convening shareholders' general meetings or Board meetings or voting methods in breach of laws, administrative regulations or these Articles of Association, or any resolution in breach of these Articles of Association, the shareholders shall have the right to seek a revocation of the same at the People's Court within 60 days from the date of the resolution. However, this shall not apply where the procedures for convening or the voting methods of a general meeting or a Board meeting contain only minor defects which do not have a material impact on the resolutions.

Under any of the following circumstances, a resolution of the shareholders' general meeting or the Board of Directors shall not be formed:

(1) a resolution is made without a shareholders' general meeting or Board meeting having been held;

(2) the shareholders' general meeting or Board meeting fails to vote on the matter to be resolved;

(3) the number of persons attending the meeting or the number of voting rights held by them does not reach the number prescribed by the Company Law, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association;

(4) the number of persons consenting to the matter to be resolved or the number of the voting rights held by them fails to reach the number prescribed by the Company Law, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The shareholders of the Company shall have the following obligations:

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

(2) to pay subscription monies according to the number of shares subscribed for and the method of subscription;

(3) not to withdraw their share capital, except in such circumstances as prescribed by laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed;

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

(5) other obligations to be undertaken as prescribed by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the places where the shares of the Company are listed and these Articles of Association.

Any shareholder of the Company who abuses his/her/its rights and causes losses to the Company or its other shareholders shall assume indemnity liabilities pursuant to the laws. A shareholder who abuses the Company's independent legal person status or a shareholder's limited liability to evade debts, thereby causing serious damage to the interests of the creditors of the Company, shall bear joint and several liability for the Company's debts.

Controlling Shareholder and De Facto Controller

The controlling shareholder and the de facto controller of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed, and the requirements of the CSRC and the stock exchanges to safeguard the interests of the Company.

The controlling shareholder and the de facto controller of the Company shall comply with the following provisions:

(1) to exercise their rights as shareholders in accordance with the law and not to abuse their control or use their related relationship to prejudice the legitimate rights and interests of the Company or other shareholders;

(2) to strictly fulfill their public statements and various undertakings and not to change or waive such statements and undertakings without authorisation;

(3) to fulfill their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Company in information disclosure and inform the Company in a timely manner of material events that have occurred or are proposed to occur;

(4) not to appropriate the Company's funds in any way;

(5) not to order, instruct, or request the Company and its relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation or other illegal and unlawful acts;

(7) not to prejudice the legitimate interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset restructuring, external investment or any other means;

(8) to ensure the integrity of the Company's assets and the independence of its personnel, finance, organization and business, and not to affect the independence of the Company in any way;

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

The controlling shareholder and the de facto controller of the Company who do not serve as directors of the Company but actually carry out the Company's affairs shall be subject to the provisions of these Articles of Association regarding the duty of loyalty and duty of diligence of directors.

Where a controlling shareholder or de facto controller of the Company instructs a director or senior management to engage in an act that is detrimental to the interests of the Company or its shareholders, it/he/she shall bear joint and several liability with such director or senior management.

The controlling shareholder and the de facto controller of the Company shall maintain the independence of the Company and exercise their rights in accordance with the decision-making procedures of the Company.

The directors and senior management of the Company are legally obliged to safeguard the asset security of the Company.

General Provisions for Shareholders' General Meetings

The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the organ of power of the Company, which exercises the following functions and powers according to law:

(1) to elect and replace directors and decide on matters concerning the remuneration of directors;

(2) to examine and approve reports of the Board of Directors;

(3) to examine and approve the profit distribution plan and the loss recovery plan of the Company;

(4) to decide on the increase or reduction of the Company's registered capital;

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

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

(7) to amend the Articles of Association;

(8) to decide on the appointment and dismissal of the accounting firm that undertakes the Company's audit business;

(7) to amend the Articles of Association;

(8) to decide on the appointment and dismissal of the accounting firm that undertakes the Company's audit business;

(9) to consider and approve guarantee matters as provided for in these Articles of Association;

(10) to consider and approve the Company's purchase or sale of any material assets within one year, which represents a value exceeding 30% of the latest audited total assets of the Company;

(11) to review and approve matters concerning the change of use of proceeds;

(12) to examine equity incentive plans and employee stock ownership plans;

(13) to consider and approve other matters required to be resolved at the shareholders' general meeting in accordance with laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the places where the shares of the Company are listed or these Articles of Association.

The shareholders' general meeting may authorize the Board of Directors to make a resolution on the issuance of corporate bonds by the Company.

The following external guarantee matters of the Company shall be subject to consideration and approval by the shareholders' general meeting:

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

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

(3) a guarantee to be provided to a party which has an asset-liability ratio of more than 70%;

(4) a guarantee with an amount which, when calculated on a cumulative basis over a consecutive 12-month period, exceeds 30% of the latest audited total assets of the Company;

(5) any guarantee to be provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 30% of the latest audited total assets;

(6) guarantees provided to shareholders, de facto controllers and their related parties.

The guarantee mentioned in item (4) of the preceding paragraph shall be passed by more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting.

Where the Company provides a guarantee for a wholly-owned subsidiary, or provides a guarantee for a controlled subsidiary and other shareholders of such controlled subsidiary provide a guarantee in the same proportion to their respective equity interests, and such guarantee does not prejudice the interests of the Company, the application of the provisions of items (1), (2) and (3) of this Article may be exempted.

When the shareholders' general meeting considers the guarantee matter set forth in item (6) above of this Article, namely a proposal to provide a guarantee for a shareholder, the de facto controller and their related parties, such shareholder or the shareholders controlled by such de facto controller shall not participate in the voting on such matter. The resolution shall be passed by a majority of the voting rights held by other shareholders attending the shareholders' general meeting.

The external guarantee matters provided in this Article which are subject to consideration by the shareholders' general meeting must be considered and approved by the Board of Directors before being submitted to the shareholders' general meeting for consideration. External guarantees other than those listed above shall be subject to the consideration and approval of the Board of Directors of the Company.

In the event of any violation of the approval authority and consideration and approval procedures of the shareholders' general meeting and the Board of Directors for external guarantees as provided in these Articles of Association, the Company shall hold the responsible persons liable for the corresponding legal and economic responsibilities.

Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within six months after the end of the previous financial year.

An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following circumstances:

(1) the number of directors falls short of the number stipulated in the Company Law or is less than two-thirds of the number specified in these Articles of Association;

(2) when the unrecovered losses of the Company reach one-third of the total amount of its share capital;

(3) upon the request of shareholders individually or jointly holding 10% or more of the shares of the Company;

(4) when the Board of Directors considers it necessary;

(5) when proposed by the Audit Committee;

(6) other circumstances as stipulated by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Convening of Shareholders' General Meetings

The Board of Directors shall convene the shareholders' general meeting in a timely manner within the prescribed timeframe.

Subject to the consent of more than half of all independent directors, the independent directors shall have the right to propose to the Board of Directors the convening of an extraordinary general meeting. With respect to the proposal of the independent directors for convening an extraordinary general meeting, the Board of Directors shall, in accordance with laws, administrative regulations and these Articles of Association, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board of Directors agrees to convene an extraordinary general meeting, a notice of the shareholders' general meeting shall be issued within 5 days after the Board resolution is made; where the Board of Directors does not agree to convene an extraordinary general meeting, it shall state the reasons and make an announcement.

Where the Audit Committee proposes to the Board of Directors the convening of an extraordinary general meeting, such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents and these Articles of Association, provide written feedback on whether to agree or disagree to convene an extraordinary general meeting within 10 days after receiving the proposal.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of the general meeting within 5 days after the resolution of the Board of Directors is made. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

Where the Board of Directors does not agree to hold an extraordinary general meeting or fails to provide any written feedback within 10 days of its receipt of such proposal, the Board of Directors shall be deemed to be incapable of discharging or to have failed to discharge its duty of convening a shareholders' general meeting, and the Audit Committee may convene and preside over such meeting on its own.

Shareholders who individually or jointly hold 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall submit such request to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations and these Articles of Association, give a written reply on whether to convene an extraordinary general meeting or not within 10 days upon receipt of the request.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall, within 5 days after the Board resolution is made, issue a notice of the shareholders' general meeting. Any changes to the original request in the notice shall be subject to the consent of the proposing shareholders.

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

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the shareholders' general meeting within 5 days of receipt of the request, and any changes to the original request in the notice shall be made only with the consent of the proposing shareholders.

Failure of the Audit Committee to issue a notice of a shareholders' general meeting within the stipulated period shall be deemed as the failure of the Audit Committee to convene and preside over a shareholders' general meeting, and shareholders severally or jointly holding 10% or more of the Company's shares for 90 consecutive days or more shall be entitled to convene and preside over the meeting on their own.

The Audit Committee or convening shareholder(s) shall submit the relevant evidentiary materials to the stock exchange upon the issuance of the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.

The shareholders that convene the shareholders' general meeting shall hold at least 10% of the shares in the Company prior to the announcement of the resolutions of such meeting.

For a shareholders' general meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the secretary to the Board of Directors shall cooperate. The Board of Directors shall provide the register of shareholders as of the record date. In the event that the Board of Directors fails to provide the register of shareholders, the convenor may use the relevant announcement regarding the notice of convening the shareholders' general meeting to apply to the securities registration and clearing institution to obtain it. The register of shareholders so obtained by the convenor shall not be used for any purpose other than convening the shareholders' general meeting.

The expenses necessary for a shareholders' general meeting convened by the Audit Committee or shareholders on their own shall be borne by the Company.

Proposals and Notices of Shareholders' General Meetings

The contents of the proposals of the shareholders' general meetings shall be within the scope of duties of the shareholders' general meetings, have clear topics and specific matters for resolution, and comply with the relevant provisions of laws, administrative regulations, departmental rules, normative documents and these Articles of Association.

Shareholders that, individually or jointly, hold 1% or more of the shares of the Company can make and deliver temporary proposals to the convenor in writing 10 days or more prior to the shareholders' general meeting. The convenor shall, within 2 days of receipt of such proposals, issue a supplemental notice of the shareholders' general meeting announcing the contents of the temporary proposals and submit the same to the shareholders' general meeting for consideration. This is save for cases where the temporary proposal violates the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or does not fall within the scope of the functions and powers of the shareholders' general meeting.

Save for the circumstances specified in the preceding paragraph, the convenor shall not make amendments to any proposals set out in the notice of the shareholders' general meeting or submit any new proposals after the despatch of the notice of the shareholders' general meeting.

Any proposal which is not set out in the notice or supplementary notice of the shareholders' general meeting or not in compliance with the provisions of these Articles of Association shall not be voted upon and passed thereat.

The convenor shall notify each shareholder by way of public announcement 20 days prior to the convening of the annual general meeting, and shall notify each shareholder 15 days prior to the convening of an extraordinary general meeting.

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

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

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

(3) a statement in conspicuous text: all shareholders are entitled to attend the shareholders' general meeting, and may appoint a proxy in writing to attend the meeting and participate in voting, and such proxy need not be a shareholder of the Company;

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

(5) the name and telephone number of the designated liaison contact person of the meeting;

(6) the voting time and procedures for voting by internet or other means;

(7) other contents required to be included in the notice as prescribed by relevant laws, administrative regulations, departmental rules, normative documents and the securities regulatory rules of the place where the Company's shares are listed as well as these Articles of Association.

The notice of a shareholders' general meeting and the supplementary notice shall fully and completely disclose all specific contents of all proposals, as well as all information or explanations required for shareholders to make reasonable judgments on the matters to be discussed.

After a notice of a shareholders' general meeting is given, the shareholders' general meeting shall not be postponed or canceled, and the proposals set out in the notice of the shareholders' general meeting shall not be canceled, without a valid reason. Once the meeting is postponed or canceled, the convener shall make an announcement and give reasons therefor at least 2 working days prior to the original date of the meeting. Where the securities regulatory rules of the place where the Company's shares are listed contain special provisions regarding the procedures for postponing or canceling a shareholders' general meeting, such provisions shall prevail, provided that they do not violate domestic regulatory requirements.

Holding of Shareholders' General Meetings

All shareholders registered in the register of shareholders on the record date, or their proxies, shall be entitled to attend the shareholders' general meeting, and exercise the right to speak and the right to vote in accordance with relevant laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, unless individual shareholders are required by the securities regulatory rules of the place where the Company's shares are listed to abstain from voting on individual matters.

Shareholders may attend the shareholders' general meeting in person, or appoint a proxy to attend, speak and vote on their behalf. If a shareholder is a recognized clearing house (or its nominee(s)), such shareholder may authorize its corporate representative(s) or such person or persons as it thinks fit to act as its representative(s) at any shareholders' general meeting.

Individual shareholders who attend the meeting in person shall produce their identity cards or other effective documents or proof of identity; proxies of other persons attending the meeting shall produce their own effective identity documents and a shareholder's power of attorney.

A corporate shareholder shall be represented by its legal representative or a proxy appointed by the legal representative to attend the meeting. If the legal representative attends the meeting, he or she shall produce his or her own identity card and valid proof of his or her legal representative status.

Where a proxy attends the meeting, the proxy shall produce his/her own identity card and a written power of attorney issued in accordance with the law by the legal representative of the corporate shareholder (except for a shareholder which is a recognized clearing house or its nominee as defined by the relevant ordinances of the laws of Hong Kong in force from time to time or the securities regulatory rules of the place where the Company's shares are listed); if such corporate shareholder has appointed a representative to attend any meeting, it shall be deemed to have attended in person. A shareholder that is a partnership shall be represented by its executive partner or an agent authorized by the executive partner to attend the meeting. Where the executive partner attends the meeting, he/she shall produce his/her identity card and valid proof of his/her qualification as the executive partner; where a proxy attends the meeting, the proxy shall produce his/her identity card and a written power of attorney issued in accordance with the law by the executive partner of the shareholder that is a partnership. Where a shareholder is a recognized clearing house (or its nominee) as defined by the relevant ordinances enacted in Hong Kong from time to time or the securities regulatory rules of the place where the Company's shares are listed, such shareholder may authorize its corporate representative or one or more persons whom it deems appropriate to act as its representative(s) at any shareholders' general meeting or any creditors' meeting; provided that, if more than one person is authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized. The person so authorized shall be entitled to exercise the rights on behalf of such shareholder (without being required to produce any shareholding certificate, notarised authorisation and/or further evidence to prove that he is duly authorized), and shall be entitled to the same statutory rights as those enjoyed by other shareholders, including the right to speak and vote, as if such person were an individual shareholder of the Company.

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

(1) the name of the principal, and the class and number of shares held by him/her/it in the Company;

(2) name of the proxy;

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

(4) the date of issue and period of validity of the proxy form;

(5) the signature (or seal) of the principal. If the principal is a non-natural person shareholder, the seal of the unit shall be affixed.

Where the proxy form is signed by a person authorized by the appointor, the power of attorney or other authorisation documents authorizing the signature shall be notarised. The notarized power of attorney or other authorizing document, together with the instrument appointing the voting proxy, shall be deposited at the domicile of the Company or at such other place as specified in the notice of the meeting.

Where the shareholders' general meeting requires the directors and senior management to attend the meeting, the directors and senior management shall attend and accept enquiries from shareholders.

A shareholders' general meeting shall be presided over by the Chairman of the Board. Where the Chairman of the Board is unable to perform or fails to perform his/her duties, a director jointly elected by more than half of the directors shall preside over the meeting.

A shareholders' general meeting convened by the Audit Committee on its own shall be presided over by the convenor of the Audit Committee. Where the convener of the Audit Committee is unable to perform his or her duties or fails to perform his or her duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside.

If a shareholders' general meeting is convened by the shareholders themselves, the convenor or his/her/its elected representative shall preside over the meeting.

Where a shareholders' general meeting is unable to proceed further during its course due to the chairman of the meeting's violation of the rules of procedure, the shareholders present at the shareholders' general meeting may nominate one person as the chairman of such meeting with the consent of more than one-half of the voting rights represented by shareholders present, and the meeting shall proceed.

Voting at and Resolutions of Shareholders' General Meetings

Resolutions of a shareholders' general meeting comprise ordinary resolutions and special resolutions.

An ordinary resolution of the shareholders' general meeting shall be passed by more than half of the voting rights held by the shareholders (including their proxies) attending the shareholders' general meeting.

A special resolution of the shareholders' general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including their proxies) attending the shareholders' general meeting.

The following matters shall be resolved by ordinary resolutions at shareholders' general meetings:

(1) work reports of the Board of Directors;

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

(3) to elect and replace directors, and decide on matters concerning the remuneration and payment methods of directors;

(4) matters other than those requiring approval by way of special resolutions in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place(s) where the shares of the Company are listed and these Articles of Association.

The following matters shall be resolved by special resolutions at shareholders' general meetings:

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

(2) the merger, division, spin-off, dissolution and liquidation (including voluntary winding-up) of the Company;

(3) amendments to these Articles of Association;

(4) the purchase or sale by the Company within one year of material assets, or the provision of a guarantee to others, the amount of which exceeds 30% of the audited total assets of the Company for the most recent period;

(5) equity incentive plans;

(6) other matters as required by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the places where the shares of the Company are listed or these Articles of Association, and matters which, as resolved by way of an ordinary resolution at a shareholders' general meeting, will have a material impact on the Company and need to be approved by way of special resolutions.

A shareholder (including a shareholder attending a shareholders' general meeting by proxy) shall exercise voting rights based on the number of voting shares represented by such shareholder, and each share shall carry one vote.

Shares in the Company held by the Company shall carry no voting rights and shall not be counted in the total number of voting shares represented by shareholders present at the shareholders' general meeting.

When the shareholders' general meeting considers material matters affecting the interests of minority shareholders, the voting results of shareholders other than the directors, senior management of the Company and shareholders who individually or collectively hold 5% or more of the shares of the Company, shall be counted and disclosed separately.

If a shareholder purchases the Company's voting shares in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the portion of shares in excess of the prescribed proportion shall not have voting rights within 36 months after purchase, and shall not be counted in the total number of voting shares present at the shareholders' general meeting.

The Board of Directors, independent directors, shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authority under the State Council may publicly solicit voting rights from shareholders. While soliciting the voting rights of shareholders, sufficient disclosure of information such as the specific voting intention shall be made to the shareholders from whom voting rights are being solicited. Consideration or other forms of de facto consideration for the solicitation of voting rights from shareholders shall be prohibited. Except for statutory conditions, the Company shall not impose any minimum shareholding restriction for soliciting voting rights.

When the shareholders' general meeting considers matters relating to related transactions, related shareholders shall refrain from voting, and the number of voting shares represented by them shall not be counted in the total number of valid votes; the announcement of the resolutions of the shareholders' general meeting shall fully disclose the voting results of non-related shareholders.

BOARD OF DIRECTORS

General Provisions for Directors

The directors of the Company shall be natural persons. A person may not serve as a director of the Company if any of the following circumstances apply:

(1) persons without capacity or with limited capacity for civil acts;

(2) persons who were sentenced to criminal punishment due to corruption, bribery, embezzlement of property, misappropriation of property or disrupting the socialist market economic order, or who have been deprived of political rights due to any criminal offenses, where less than 5 years have lapsed since the expiration of the execution period; or those who were sentenced to probation, where less than 2 years have lapsed since the expiration of the probation period;

(3) a person who was a director or factory head or manager of a company or an enterprise which was subject to bankruptcy liquidation and was personally responsible for the bankruptcy of such company or enterprise, where not more than 3 years have elapsed since the completion of the bankruptcy liquidation of such company or enterprise;

(4) persons who served as the legal representative of a company or an enterprise of which the business license was revoked and was ordered to close down due to violation of laws and who was personally liable for such revocation and order, where less than 3 years have lapsed since the date of the revocation of the business license or being ordered to be closed down;

(5) an individual who has been listed by a People's Court as a judgment debtor subject to enforcement for failing to repay a large amount of personal debt that has become due;

(6) persons who have been subject to a penalty prohibiting entry into the securities market imposed by relevant regulatory authorities, where the period of such penalty has not yet expired;

(7) where the person has been publicly identified by a stock exchange as unsuitable to serve as a director or senior management member of a listed company, and the period of such identification has not yet expired;

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

The election, appointment or engagement of any director in violation of this Article shall be null and void. Where a director is subject to any of the circumstances prescribed in this Article during his/her term of office, the Company shall dismiss him/her from his/her position and suspend his/her performance of duties.

Directors shall be elected or replaced at the shareholders' general meeting and may be removed from office by the shareholders' general meeting prior to the expiry of their tenure. The term of office of a director shall be 3 years, and at the expiry of the term, he/she shall be eligible for re-election and re-appointment. A director serving as an employee representative shall be democratically elected by the employees of the Company through the employee representative congress, and no resolution of the shareholders' general meeting is required.

BOARD OF DIRECTORS

The Company shall establish a Board of Directors, which shall consist of 9 directors, including 5 non-independent directors, 4 independent directors and 1 employee representative director. The Board of Directors shall have 1 chairman, who shall be elected by more than half of all directors of the Board of Directors.

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

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

(2) to execute the resolutions of shareholders' general meetings;

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

(4) to formulate the Company's proposals for profit distribution and loss recovery;

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

(6) to prepare plans on the Company's material acquisition or acquisition of the Company's shares or the Company's merger, division, dissolution or change of corporate form;

(7) to decide on the Company's external investment, acquisition and sale of assets, asset mortgages, external guarantees, entrusted wealth management, related transactions, external donations and other matters within the scope authorized by the general meeting;

(8) to determine the establishment of the Company's internal management structure;

(9) to decide on the appointment or removal of the Company's general manager, secretary to the Board of Directors and other senior management, and to determine their remuneration, rewards and punishments; based on the nominations of the general manager, to decide on the appointment or removal of the deputy general manager(s), financial officer(s) and other senior management, and to determine their remuneration, rewards and punishments;

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

(11) to prepare proposals for the amendment of these Articles of Association;

(12) to manage the issues in respect of the Company's information disclosure;

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

(14) to receive the work report of the general manager of the Company and examine such work;

(15) to formulate equity incentive plans and employee stock ownership plans;

(16) other functions and powers as prescribed by laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association, as well as those granted by the shareholders' general meeting.

Matters beyond the scope of authorisation of the shareholders' general meeting shall be submitted to the shareholders' general meeting for consideration.

Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, the transactions subject to the approval of the Board of Directors are as follows:

(1) the total assets involved in the transaction account for 10% or more of the Company's latest audited total assets; however, if the total assets involved in the transaction account for 50% or more of the Company's latest audited total assets, or if the Company purchases or sells major assets within one year for an amount exceeding 30% of the Company's latest audited total assets, such transaction shall also be submitted to the shareholders' general meeting for consideration; if there are both a book value and an assessed value for the total assets which are the subject of the transaction, the higher figure shall be used as the basis of calculation;

(2) the consideration for the transaction accounts for 10% or more of the market capitalisation of the Company; however, if the consideration for the transaction accounts for 50% or more of the market capitalisation of the Company, it shall also be submitted to the shareholders' general meeting for consideration;

(3) the net assets of the subject matter of the transaction (such as equity) for the most recent financial year account for 10% or more of the market capitalisation of the Company; however, if the net assets of the subject matter of the transaction (such as equity) for the most recent financial year account for 50% or more of the market capitalisation of the Company, it shall also be submitted to the shareholders' general meeting for consideration;

(4) the profit generated from the transaction accounts for 10% or more of the audited net profit of the Company for the most recent financial year, and the absolute amount exceeds RMB 1 million; however, if the profit generated from the transaction accounts for 50% or more of the audited net profit of the Company for the most recent financial year, and the absolute amount exceeds RMB 5 million, it shall also be submitted to the shareholders' general meeting for consideration;

(5) the operating revenue related to the subject matter of the transaction (such as equity) for the most recent financial year accounts for 10% or more of the audited operating revenue of the Company for the most recent financial year, and the absolute amount exceeds

RMB 10 million; however, if the operating revenue related to the subject matter of the transaction (such as equity) for the most recent financial year accounts for 50% or more of the audited operating revenue of the Company for the most recent financial year, and the absolute amount exceeds RMB 50 million, it shall also be submitted to the shareholders' general meeting for consideration;

(6) the net profit related to the subject matter of the transaction (such as equity) for the most recent financial year accounts for 10% or more of the audited net profit of the Company for the most recent financial year, and the absolute amount exceeds RMB 1 million; however, if the net profit related to the subject matter of the transaction (such as equity) for the most recent financial year accounts for 50% or more of the audited net profit of the Company for the most recent financial year, and the absolute amount exceeds RMB 5 million, it shall also be submitted to the shareholders' general meeting for consideration. Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, if the data involved in the calculation of the above indicators is negative, the absolute value thereof shall be used for calculation. Where the Company conducts entrusted wealth management and finds it difficult to perform review and consideration procedures and disclosure obligations for each investment transaction due to reasons such as transaction frequency and timeliness requirements, it may make reasonable estimates on the investment scope, amount and term, etc., and calculate the proportion of the amount to the market capitalisation, to which item (2) above shall apply. The term of use for the relevant limit shall not exceed 12 months, and the transaction amount at any point in time within the term (including relevant amounts from the reinvestment of proceeds from the aforementioned investments) shall not exceed the investment limit. Where a transaction is implemented in stages, the above criteria shall be applied based on the total consideration for the transaction.

Where the Company enters into a financial assistance transaction, in addition to being considered and approved by a majority of all directors, the matter shall also be considered and approved by more than two-thirds of the directors attending the board meeting, and shall be disclosed in a timely manner. Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, if a financial assistance matter falls under any of the following circumstances, it shall also be submitted to the shareholders' general meeting for consideration after being considered and approved by the Board of Directors:

(1) the amount of a single financial assistance exceeds 10% of the Company's latest audited net assets;

(2) the latest financial statement data of the recipient of the assistance shows an asset-liability ratio exceeding 70%;

(3) the cumulative amount of financial assistance within the last 12 months exceeds 10% of the latest audited net assets of the Company;

(4) other circumstances as prescribed by the securities regulatory authorities of the place where the Company's shares are listed or these Articles of Association. Where the recipient of the assistance is a controlled subsidiary within the scope of the consolidated financial statements of the Company, and the other shareholders of such controlled subsidiary do not include the controlling shareholders, de facto controllers and their associates of the Company, the provisions of the preceding two paragraphs may be exempted from application.

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

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

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

(3) to exercise the functions and powers of the legal representative;

(4) to nominate the general manager and the secretary to the Board of Directors;

(5) to sign the Company's shares, corporate bonds and other securities;

(6) to sign important documents of the Board of Directors and other documents which should be signed by the Company's legal representative;

(7) other powers conferred by the Board of Directors.

The Board of Directors shall hold at least four regular meetings every year, approximately once a quarter, and written notice shall be given to all directors 14 days prior to the convening of the meeting.

The Chairman of the Board shall convene an extraordinary Board meeting within 10 days of receiving a proposal under any of the following circumstances:

(1) upon proposal by a shareholder(s) representing one-tenth or more of the voting rights of the Company;

(2) upon the joint proposal of one-third or more of the directors;

(3) upon proposal by the Audit Committee;

(4) when deemed necessary by the Chairman of the Board;

(5) upon proposal by a majority of the independent directors;

(6) any other circumstances prescribed by laws, administrative regulations, departmental rules, normative documents and these Articles of Association.

To convene an extraordinary Board meeting, the Company shall notify all the directors at least 5 days prior to the meeting. In case of emergency, an extraordinary Board meeting may be convened without being subject to the aforementioned notice period requirement upon the consent of more than half of all directors, provided that notice shall be given within a reasonable time limit.

In principle, the Board meetings shall be held in the form of physical meetings. Provided that directors are ensured of the full expression of their opinions, such meetings may be conducted by way of telephone conference, video conference or other similar means. Extraordinary Board meetings may, provided that the directors are guaranteed the opportunity to fully express their opinions, be conducted by way of written circulation and resolutions may be passed thereat, and shall be signed by the directors attending the meeting.

The Board meetings shall be attended by the directors in person; where a director is unable to attend for any reason, he/she may appoint another director in writing to attend on his/her behalf. The power of attorney shall set out 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 appointor. A director who attends a meeting on behalf of another director shall exercise the rights of a director within the scope of authority granted. If a director does not attend a Board meeting in person and does not appoint a proxy to attend the meeting, he/she shall be deemed to have waived the voting rights at the meeting. A director shall not accept proxies from more than two directors, and a director shall not appoint another director who has already accepted proxies from two other directors to attend on his or her behalf.

A Board meeting shall not be held unless more than half of the directors are present. Any resolution of the Board of Directors shall be passed by more than half of all the directors.

Voting at Board meetings may be conducted by a show of hands, orally or by poll. Voting on resolutions of the Board of Directors shall be on a one-vote-per-person basis.

Where a director is related with an enterprise or individual involved in a matter to be resolved at a Board meeting, such director shall report the same to the Board of Directors in writing in a timely manner. Directors who have a related relationship shall not exercise voting rights on such resolution, nor shall they exercise voting rights as proxies for other directors. The Board meeting may proceed if more than half of the directors that have no related relations are present, and resolutions of the Board meeting may be adopted if approved by more than half of the directors that have no such related relations. If the number of non-related directors present at the Board meeting is less than three, the matter shall be submitted to the shareholders' general meeting for consideration. Where laws, regulations or the securities regulatory rules of the place where the Company's shares are listed contain additional provisions or restrictions regarding the participation in and voting at Board meetings by directors, such provisions shall prevail.

Independent Directors

Independent directors shall, in accordance with the provisions of laws, administrative regulations, the CSRC, the stock exchanges, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association, diligently perform their duties, play roles in participating in decision-making, supervising and balancing and offering professional advice within the Board of Directors, safeguard the interests of the Company as a whole, and protect the legitimate rights and interests of minority shareholders.

Independent directors shall maintain independence. The following persons may not serve as an independent director of the Company:

(1) persons holding a position in the Company or its subsidiaries and their spouses, parents, children and major social relations;

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

(3) persons employed by shareholders who directly or indirectly hold 5% or more of the Company's issued shares or are among the Company's top five shareholders, and their spouses, parents and children;

(4) employees of the subsidiaries of the Company's controlling shareholders or de facto controllers, as well as their spouses, parents and children;

(5) persons who have material business transactions with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or persons who are employed in an entity that has material business transactions and its controlling shareholder or de facto controller;

(6) persons who provide financial, legal, consulting, sponsorship and other services to the Company and its controlling shareholders, de facto controller or their respective subsidiaries, including but not limited to all project team members of any intermediary which provides services, reviewers at all levels, personnel who sign reports, partners, directors, senior management and principal persons-in-charge;

(7) any person who has fallen under any of the circumstances listed in items (1) to (6) within the preceding twelve months;

(8) other individuals who do not meet the independence requirements as specified by laws, administrative regulations, regulations of the CSRC, business rules of securities exchanges, the securities regulatory rules of the place where the Company's shares are listed and the provisions of these Articles of Association.

Subsidiaries of the controlling shareholders or the de facto controllers of the Company referred to in items (4) to (6) of the preceding paragraph do not include enterprises that are controlled by the same state-owned asset management institution as the Company but do not have any related relationship with the Company in accordance with the relevant regulations.

Independent directors shall conduct a self-assessment of their independence on an annual basis and submit the results of such self-assessment to the Board of Directors. The Board of Directors shall conduct an annual assessment of the independence of the independent directors in office and issue a specific opinion thereon, which shall be disclosed concurrently with the annual report.

The following matters shall be submitted to the Board of Directors for consideration after obtaining the consent of a majority of all independent directors of the Company:

(1) related transactions that should be disclosed;

(2) plans for changes or exemptions of commitments by the Company and related parties;

(3) decisions made and measures taken by the board of directors of the acquired listed company in relation to the acquisition;

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

The Company shall establish a mechanism for special meetings attended exclusively by independent directors. Where the Board of Directors considers matters such as related transactions, such matters shall be subject to the prior approval of a special meeting of the independent directors.

The Company shall convene meetings of independent directors on a regular or irregular basis.

Special meetings of independent directors shall be convened and presided over by an independent director jointly recommended by a majority of independent directors. If the convener fails to perform or is unable to perform his or her duties, two or more independent directors may convene the meeting on their own and recommend one representative to preside over the meeting.

Special Committees of the Board of Directors

The Board of Directors of the Company has established an Audit Committee to exercise the powers and functions of the board of supervisors as prescribed by the Company Law and the powers and functions as prescribed by the securities regulatory rules of the place where the Company's shares are listed.

The Audit Committee shall consist of three members, comprising directors who do not hold senior management positions in the Company, of whom two shall be independent directors. Such independent directors shall not have any relationship with the Company that may interfere with the exercise of their independent and objective judgment. At least one independent director shall possess appropriate professional qualifications or appropriate accounting or related financial management expertise as required by the securities regulatory rules of the place where the Company's shares are listed, and such independent director shall serve as the convenor.

The primary duties of the Audit Committee are to be responsible for reviewing the financial information of the Company and its disclosure, and supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for consideration after the approval of more than half of all members of the Audit Committee:

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

(2) engagement, re-appointment or dismissal of an accounting firm that undertakes the audit work of the Company;

(3) appointment or dismissal of the financial controller of the Company;

(4) changes in accounting policies and accounting estimates or correction of material accounting errors resulting from reasons other than changes in accounting standards;

(5) other matters as prescribed by laws and regulations, relevant regulations of the Shanghai Stock Exchange, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, as well as other matters authorized by the Board of Directors.

The Audit Committee shall hold at least one meeting per quarter. An extraordinary meeting may be convened when proposed by two or more members, or when the convener deems it necessary. A meeting of the Audit Committee shall be held only when more than two-thirds of the members are present.

Resolutions of the Audit Committee shall be adopted by a majority vote of the members of the Audit Committee.

Voting on resolutions of the Audit Committee shall be on a one-person, one-vote basis.

Resolutions of the Audit Committee shall be recorded in meeting minutes in accordance with regulations, and the members of the Audit Committee attending the meeting shall sign the meeting minutes.

The Board of Directors shall be responsible for formulating the working procedures of the Audit Committee.

The Board of Directors of the Company shall establish a Nomination Committee, a Remuneration and Appraisal Committee and a Strategy and ESG Committee, which shall perform their duties in accordance with the securities regulatory rules of the place where the Company's shares are listed, these Articles of Association and the authorisation of the Board of Directors. Proposals of the special committees shall be submitted to the Board of Directors for consideration and decision. The Board of Directors shall be responsible for formulating the rules of procedure of the special committees. Independent directors shall constitute a majority of the Nomination Committee and the Remuneration and Appraisal Committee. The Nomination Committee shall include at least one director of a different gender. The Nomination Committee shall be convened by an independent director or the Chairman of the Board, and the Remuneration and Appraisal Committee shall be convened by an independent director.

Senior Management

The Company shall have one general manager, several deputy general managers, one financial controller and one secretary to the Board of Directors. The general manager and the secretary to the Board of Directors of the Company shall be nominated by the Chairman of the Board; the deputy general managers, the financial controller and other senior management personnel shall be nominated by the general manager; and all such personnel shall be appointed or dismissed by the Board of Directors.

The provisions of these Articles of Association regarding circumstances in which a person may not serve as a director and the management system for resignation shall also apply to senior management.

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

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

(1) to lead the Company's production, operation and management, to organize the implementation of the resolutions of the Board of Directors and report to the Board of Directors;

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

(3) To draft proposals for the establishment of the Company's internal management structure;

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

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

(6) to propose to the Board of Directors the appointment or removal of other senior management of the Company, such as deputy general managers and the financial controller, other than the secretary to the Board of Directors;

(7) to determine the appointment or removal of the management personnel other than those who are to be appointed or removed by the Board of Directors;

(8) other powers prescribed by laws, administrative regulations, departmental rules, normative documents and these Articles of Association or granted by the shareholders' general meeting or the Board of Directors.

The general manager shall attend Board meetings.

Party Organization

The Company shall establish a Communist Party of China ("CPC") organization and conduct Party-related activities in accordance with the provisions in the Constitution of the CPC. The Company shall provide the necessary conditions for the activities of the Party organization. The Company unswervingly adheres to the leadership of the Party, unswervingly strengthens Party building and integrates the strengthening of the leadership of the Party with the improvement of corporate governance.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting Systems and Profit Distribution

The Company shall submit and disclose its annual report to the local office of the CSRC and the stock exchange(s) within four months from the end of each financial year, and submit and disclose its interim report to the local office of the CSRC and the stock exchange(s) within two months from the end of the first six months of each financial year.

The Company shall not keep any accounting books other than those required by law. The Company's funds shall not be deposited in an account opened in the name of any individual.

The Company shall, in distributing its after-tax profit for the year, set aside 10% of the profit to be placed into the statutory common reserve. When the cumulative amount of the statutory common reserve reaches 50% or more of its registered capital, the Company may cease to make such allocation.

If the Company's statutory common reserve is insufficient to make up losses from previous years, the Company shall use its profits from the current year to make up such losses before making the allocation to its statutory common reserve in accordance with the preceding paragraph.

After the Company has set aside funds for the statutory reserve from the after-tax profits, the Company may also set aside funds for a discretionary reserve from the after-tax profits upon the resolution of the shareholders' general meeting.

After making up for losses and setting aside funds for the common reserve, the Company shall distribute the remaining after-tax profits in proportion to the shares held by the shareholders.

Where the shareholders' general meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; if any loss is caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

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

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

The common reserve funds of the Company shall be used for offsetting losses of the Company, expanding the Company's production and operation or increasing the registered capital of the Company.

To make up the Company's losses, the discretionary common reserve fund and the statutory common reserve fund shall be utilized first; if these are still insufficient, the capital reserve fund may be utilized in accordance with the regulations.

Where the statutory common reserve is converted into increased registered capital, the balance of such reserve shall not be less than 25% of the Company's registered capital immediately prior to the conversion.

The Company establishes a continuous and stable return mechanism for investors by integrating its own profitability with the actual needs of its future business development strategy. The Board of Directors and the shareholders' general meeting of the Company shall fully consider the opinions of the independent directors and public investors in the decision-making and argumentation process of the profit distribution policy.

Where the Company indeed needs to adjust its profit distribution policy based on its production and operation conditions, investment planning and long-term development needs, the adjusted profit distribution policy shall not violate the relevant regulations of the CSRC and the stock exchange. The proposal regarding the adjustment of the profit distribution policy shall be submitted to the shareholders' general meeting of the Company for approval after being considered by the Board of Directors of the Company, and shall be passed by more than two-thirds of the voting rights held by the shareholders attending the shareholders' general meeting. The Company shall also provide an online voting method to facilitate the participation of minority shareholders in voting at the shareholders' general meeting.

Internal Audit

The Company shall implement an internal audit system, which specifies the leadership system, duties and responsibilities, staffing, funding guarantee, use of audit results and accountability for internal audit.

The Company's internal audit system shall be implemented after being approved by the Board of Directors and shall be disclosed to the public.

Appointment of Accounting Firm

The Company shall appoint an accounting firm which is qualified under the relevant provisions of the Securities Law and the securities regulatory rules of the place where the shares of the Company are listed to audit the financial statements, verify the net assets and offer other relevant consulting services, for a term of one year, which may be renewed.

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

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

The Company shall provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting data to the accounting firm it engages, and shall not refuse, conceal or make false reports.

Where the Company dismisses or does not renew the engagement of an accounting firm, the Company shall notify the accounting firm 10 days in advance; when the shareholders' general meeting votes on the dismissal of the accounting firm, the accounting firm shall be allowed to present its opinions.

If the accounting firm resigns, it shall explain to the general meeting regarding whether the Company has any non-compliance.

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

Merger, Division, Capital Increase and Decrease

A merger of the Company may take the form of a merger by absorption or a merger by new establishment. The absorption of one company by another company constitutes a merger by absorption, in which case the absorbed company shall be dissolved. The merger of two or more companies to establish a new company is a merger by new establishment, in which case all parties to the merger shall be dissolved.

In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution and shall publish an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the notice or, in the case of failure to receive such notice, within 45 days of the date of announcement, require the Company to repay its debts or to provide a corresponding guarantee for such debt.

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.

When the Company is divided, its property shall be divided accordingly. In the event of a division, the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the resolution to divide and shall publish a public announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days.

The debts of the Company prior to the division shall be borne by the companies existing after the division under joint and several liability. However, this shall not apply where a written agreement has been entered into between the Company and its creditors in relation to the repayment of debts before the division.

The Company shall prepare a balance sheet and an inventory of its property when it reduces its registered capital. The Company shall notify its creditors within 10 days from the date the resolution for the reduction of registered capital has been passed by the shareholders' general meeting and shall publish a notice in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days thereof. A creditor shall, within 30 days of the date of receipt of such notice, and any creditor who has not received the notice shall, within 45 days from the date of the public notice, be entitled to demand that the Company settle its debts or provide a corresponding guarantee. Where the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shares held by the shareholders, unless otherwise prescribed by law or these Articles of Association.

Where an increase in the registered capital of the Company is made by means of an issue of new shares, the shareholders do not have any pre-emptive right unless otherwise provided in these Articles of Association or the shareholders' general meeting resolves that the shareholders shall have a pre-emptive right.

Where a change in any item in the registration of the Company arises as a result of a merger or division, the Company shall apply for a change in its registration with the company registration authority in accordance with law; where the Company is dissolved, it shall apply for cancellation of its registration in accordance with law; where a new company is established, it shall apply for registration of incorporation in accordance with law. Where the registered capital of the Company is increased or decreased, the change shall be registered with the company registration authority in accordance with the law.

Dissolution and Liquidation

The Company shall be dissolved due to any of the following reasons:

(1) any cause for dissolution specified in these Articles of Association arises;

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

(3) dissolution is necessary for the purpose of any merger or division of the Company;

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

(5) where there are serious difficulties in the operation and management of the Company which cannot be resolved through other means and shareholders' interests will be seriously harmed if the Company continues to exist, shareholders holding 10% or more of the Company's voting rights may petition the People's Court to dissolve the Company.

If any of the causes for dissolution set forth in the preceding paragraph occurs, the Company shall make a public announcement of the cause for dissolution through the National Enterprise Credit Information Publicity System or other media within ten days.

In the event that the circumstances described in items (1) and (2) have occurred and no property has been distributed to the shareholders, the Company may continue to exist by amending these Articles of Association or by resolution of the shareholders' general meeting.

Any amendment to these Articles of Association or resolution of the shareholders' general meeting pursuant to the preceding paragraph shall be subject to the approval of two-thirds or more of the voting rights held by the shareholders present at the shareholders' general meeting.

If the Company is dissolved pursuant to item (1), (2), (4) or (5), it shall establish a liquidation committee and liquidation shall commence within 15 days from the date on which the cause for dissolution arose. The directors shall be the liquidation obligors of the Company and shall form a liquidation committee to commence liquidation within 15 days from the date on which the cause for dissolution occurs.

The liquidation committee shall be composed of the directors, unless otherwise provided for in these Articles of Association or otherwise elected by the shareholders' general meeting. If a liquidation committee is not established within the time limit to conduct liquidation, or if no liquidation is conducted after the liquidation committee is established, interested parties may apply to a People's Court to designate relevant persons to form a liquidation committee to conduct the liquidation.

The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner and cause losses to the Company or the creditors.

During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively;

(2) to notify creditors through notice or public announcement;

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

(4) to pay unpaid taxes and taxes incurred during the liquidation process;

(5) to settle claims and debts;

(6) to distribute the surplus assets remaining after the Company's debts have been repaid;

(7) to represent the Company in civil litigation.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice or, for those who have not received the notice, within 45 days from the date of the announcement.

When declaring claims, creditors shall state the relevant matters of the claims and provide supporting materials. The liquidation committee shall register the claims.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

After sorting out the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan for confirmation by the shareholders' general meeting or the People's Court.

The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, payment of insurance claims or benefits, 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 the liquidation period, the Company shall continue to exist, but shall not engage in business activities unrelated to the liquidation. The assets of the Company shall not be distributed to the shareholders prior to repayment in accordance with the provisions of the preceding paragraph.

Following the completion of liquidation, the liquidation committee shall compile a liquidation report which shall be submitted to the shareholders' meeting or the People's Court for confirmation and shall also be submitted to the company registration authority for the cancellation of the registration of the Company and to announce the termination of the Company.

Members of the liquidation committee shall owe a duty of loyalty and a duty of diligence in performing their liquidation duties.

Where a member of the liquidation committee fails to diligently perform his or her liquidation duties and causes losses to the Company, he or she shall be liable for compensation; where a member of the liquidation committee causes losses to the Company or creditors due to willful misconduct or gross negligence, he or she shall be liable for compensation.

If, after sorting out the Company's assets and preparing a balance sheet and an inventory of assets in connection with the liquidation of the Company, the liquidation committee discovers that the Company's assets are insufficient to repay the Company's debts in full, the liquidation committee shall apply to the People's Court for bankruptcy liquidation in accordance with the law.

Once the People's Court accepts the bankruptcy application, the liquidation committee shall transfer all matters relating to the liquidation to the bankruptcy administrator designated by the People's Court.

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

AMENDMENT TO THE ARTICLES OF ASSOCIATION

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

(1) where, following any amendment to the Company Law or relevant laws, administrative regulations, departmental rules and normative documents, or the securities regulatory rules of the place where the Company's shares are listed, the matters provided for in these Articles of Association conflict with the provisions of the amended laws, administrative regulations, departmental rules and normative documents, or the securities regulatory rules of the place where the Company's shares are listed;

(2) where changes to the Company's situation leads to an inconsistency with matters recorded in these Articles of Association;

(3) a shareholders' general meeting resolves to amend these Articles of Association.

Where amendments to the Articles of Association approved by resolution of the shareholders' general meeting are subject to the approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the change shall be registered in accordance with the law.

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

If amendments to these Articles of Association are required to be disclosed pursuant to laws, administrative regulations, departmental rules and normative documents, they shall be disclosed accordingly.