This Appendix contains a summary of the principal provisions of the Articles of Association. As the principal objective of this Appendix is to provide potential [**REDACTED**] with an overview of the Articles of Association, it may not contain all the information that is important to potential [**REDACTED**]. The full text of the Articles of Association in Chinese is available for inspection, as discussed in the Appendix to the document entitled "Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display."

SHARES AND REGISTERED CAPITAL

The shares of the Company shall be issued in an open, fair and equal manner. Each share of the same class shall rank pari passu with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by any entity or individual.

Upon filing with the China Securities Regulatory Commission (the "**CSRC**"), the Company may issue shares to domestic investors and overseas investors. Holders of domestic shares and holders of foreign shares are both ordinary shareholders and shall enjoy the same rights and assume the same obligations.

INCREASE, DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase and Decrease of Shares

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

(1) public issuance of shares;

(2) non-public issuance of shares;

(3) distribution of bonus shares to existing shareholders;

(4) capitalization of common reverse fund;

(5) other means stipulated by laws and administrative regulations or approved by the government authorities.

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

The Company shall notify its creditors within ten days from the date of the Company's resolution to reduce registered capital being passed and shall publish an announcement on **http://www.stcn.com**, **https://www.cs.com.cn**, **https://www.cnstock.com**, **http://www.zqrb.cn**, **http://www.cninfo.com.cn** and **www.hkexnews.hk** within thirty days from the date of such resolution being passed. A creditor shall have the right, within 30 days upon receipt of the notice from the Company or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to require the Company to repay its debt or to provide corresponding guarantee for such debt.

Repurchase of Shares

The Company may, in accordance with the requirements under laws, administrative regulations, the Listing Rules of Hong Kong Stock Exchange, departmental rules or the Articles of Association, and subject to approval by the relevant regulatory authorities of the State, repurchase its shares under the following circumstances:

(1) reducing the Company's registered capital;

(2) merging with other companies holding our shares;

(3) using the shares as an employee stock ownership plan or equity incentive plan;

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

(5) use of shares for conversion of convertible corporate bonds issued by the Company;

(6) necessary for the Company to maintain its value and protect the interests of the shareholders;

A resolution shall be passed at the Shareholders' general meeting when the Company is to repurchase its own shares under the circumstances (1) and (2) set out above. In case of the circumstances stipulated in (3), (5) and (6) above, a resolution of the Company's Board shall be passed by more than two-thirds of the Directors attending the Board meeting in accordance with the provisions of the Articles of Association or the authorization of Shareholders' general meeting. After the company repurchase its shares, it shall fulfill the obligation of information disclosure in accordance with the Securities Law, the provisions of the exchange where the Company's shares are listed and other securities regulatory rules.

After the Company has repurchased its own shares in accordance with the circumstances (1) to (6) set out above, the shares so repurchased shall be canceled within ten days from the date of purchase (under the circumstance set out in (1) above), or shall be transferred or canceled within six months (under the circumstances set out in (2) and (4) above). If the Company repurchases its shares under the circumstances set out in (3), (5) and (6) above, the total number of shares held by the Company shall not exceed ten percent of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

Subject to the approval by the relevant competent authorities of the State, the Company may repurchase its shares in one of the following ways:

(1) open centralized trading;

(2) other ways recognized by laws, administrative regulations, the CSRC and other stock exchanges of the place where the Company's shares are listed, and shall comply with the provisions of applicable laws, administrative regulations, departmental rules and securities regulatory rules of the place where the Company's shares are listed.

If the share repurchase is made under the circumstances stipulated in (3), (5) or (6) above, it shall be conducted by way of open centralized trading.

Transfer of Shares

Shares of the Company held by the founders shall not be transferred within one year from the date of incorporation of the Company. Shares of the Company that were issued prior to a public issue shall not be transferred within one year from the date on which shares of the Company are listed and traded on the stock exchange.

The Directors and senior management of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. The shares transferable by them during each year of their tenures shall not exceed 25% of their total holdings of shares in the Company. 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 shares in the Company held by them shall not be transferred within half a year from their departure from the Company. Where the listing rules of the place where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer of overseas listed shares, such rules shall prevail.

All transfers of H Shares shall be effected by instruments of transfer in writing in a general or common form or in any other form acceptable to the Board of Directors, including the standard transfer form or form of transfer specified by the Hong Kong Stock Exchange from time to time. The instruments of transfer may be signed by hand only or (where the transferor or transferee is a corporation) stamped with the corporation's chop. If the transferor or transferee is a recognized clearing house as defined by the relevant provisions that come into effect from time to time according to the laws of Hong Kong or its nominee, the instruments of transfer may be signed by hand or in a machine imprinted format. All instruments of transfer shall be deposited with the legal address of the Company or such places as the Board of Directors may designate from time to time.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

Shareholders

The Company shall establish a register of Shareholders based on the certificates provided by the securities registration authority and the register of Shareholders is sufficient evidence to prove that the Shareholders hold the shares of the Company.

The original register of Shareholders of H shares listed in Hong Kong is kept in Hong Kong and is available for inspection by Shareholders, but the Company may suspend the registration of Shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's Shares are listed. In the event that any Shareholder whose name is recorded in or any person who requests to have its name entered in the register of holders of H Shares loses his/her share certificate(s), he/she may apply to the Company for replacement of new share certificate(s) in respect thereof. Where a holder of overseas-listed foreign shares loses his/her share certificate(s) and applies for replacement, such application shall be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original copy of the register of shareholders of overseas-listed foreign shares is maintained. Shareholders shall enjoy rights and assume obligations according to the class and number of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Shareholders of the Company enjoy the following rights:

(1) to receive dividends and other forms of interest distributions in proportion to the shares they hold;

(2) to file a petition of, to convene, hold and attend the Shareholders' general meetings either in person or by proxy and exercise their corresponding voting right according to laws;

(3) to supervise, present suggestions on or make inquiries about the business operations of the Company;

(4) to transfer, donate or pledge their shares in accordance with laws, administrative regulations and the Articles of Association;

(5) to inspect the Articles of Association, register of Shareholders, counterfoils of corporate bonds, minutes of Shareholders' general meetings, resolutions of the Board meetings, financial and accounting reports;

(6) to participate in the distribution of the remaining properties of the Company in proportion to their shareholdings in the event of the termination or liquidation of the Company;

(7) to request the Company to purchase their shares for the Shareholders who object to the Company's resolution on merger or division made by the Shareholders' general meetings; and

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

In the event that any resolution of the Shareholders' general meeting or resolution of the Board of Directors violates laws or administrative regulations, the Shareholder is entitled to request the People's Court to deem it as invalid (H Shareholders shall apply to Dispute Resolution Rules of Articles of Association).

In the event that the convening procedure or voting method of the Shareholders' general meeting or the Board meeting violates any of laws, administrative regulations or the Articles of Association, or any resolution of which violates the Articles of Association, the Shareholder is entitled to request the People's Court to overturn the resolution within 60 days upon the resolution was adopted (H Shareholders shall apply to Dispute Resolution Rules of Articles of Association).

Shareholders of the Company shall assume the following obligations:

(1) to abide by the laws, administrative regulations and the Articles of Association;

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

(3) not to withdraw the shares unless required by the laws and administrative regulations;

(4) not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders, and not to abuse the status of the Company as an independent legal entity and the limited liability of shareholders to jeopardize the interests of any creditors of the Company; Where any shareholder of the Company abuses the shareholders' rights and incur losses to the Company or other shareholders, such shareholder shall be liable for the damages according to laws. Where shareholders of the Company abuse the Company's status as an independent legal entity and the limited liability of shareholders for the purposes of evading debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

(5) to keep business secrets of the Company;

(6) other obligations imposed by the laws, administrative regulations and the Articles of Association.

General Provisions for Shareholders' General Meetings

The Shareholders' general meeting is the organ of authority of the Company, which exercises its powers in accordance with the PRC Company Law.

(1) to decide on the Company's operational policies and investment plans;

(2) to elect or remove the Directors and to decide on matters relating to the remuneration of Directors;

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

(4) to examine and approve the Company's proposed annual financial budget and final accounts;

(5) to examine and approve the Company's proposals for profit distribution plans and loss recovery plans;

(6) to decide on any increase or decrease of the Company's registered capital;

(7) to decide on the issue of securities or corporate bonds by the Company;

(8) to decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;

(9) to amend the Articles of Association;

(10) to decide on the purchase of the Company's shares under the circumstances stipulated in Article 24 (1) and (2) of the Company's Articles of Association;

(11) resolution on appointment and dismissal of an accounting firm by the Company;

(12) to examine and approve the provision of guarantees stipulated in Article 42;

(13) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;

(14) to examine and approve the related party transactions which the Company intends to enter into with related parties with a transaction amount of more than RMB30 million and accounting for more than 5% of the absolute value of the latest audited net assets of the Company;

(15) to examine and approve matters relating to changes in the use of proceeds;

(16) to examine and approve the equity incentive plans and employee stock ownership plans;

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

The following provision of guarantees to third parties by the Company are subject to the consideration and approval by the Shareholders' general meeting:

(1) a single guarantee that exceeds 10% of the Company's latest audited net assets;

(2) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets;

(3) a guarantee provided to a party with an asset-liability ratio of over 70% as shown in its latest financial statement;

(4) the cumulative guarantee amount in the last 12 months has exceeded 50% of the Company's latest audited net assets and the absolute value has exceeded RMB50 million;

(5) the cumulative guarantee amount in the last 12 months has exceeded 30% of the Company's latest audited total assets;

(6) the guarantee to be provided to shareholders, beneficial controllers and their related parties;

(7) other guarantees required by the laws and these Articles of Association that shall be considered by the Shareholders' general meeting;

(8) other guarantees required by the laws, administrative regulations, rules, securities regulatory rules of the place where the Company's shares are listed or other regulatory documents that shall be considered by the Shareholders' general meeting.

The guarantee in item (5) of the preceding paragraph shall be approved by more than two-thirds of the voting rights held by the shareholders attending the meeting.

Where a director, general manager, other senior management or other personnel of the Company fails to perform the procedures for reviewing guarantees to third parties as required and signs a guarantee contract without authorization, the parties concerned shall be held accountable.

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

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

(1) where the number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in these Articles of Association;

(2) where the losses of the Company that have not been made up reach one-third of its total paid in share capital;

(3) where it is requested by a shareholder alone or shareholders together holding more than 10 percent of the Company's shares;

(4) the Board of Directors considers it necessary;

(5) the audit committee proposes that such a meeting shall be held;

(6) other circumstances conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Convening of Shareholders' General Meetings

Shareholders requesting to convene an extraordinary general meeting shall follow the procedures as follows:

Shareholders who individually or collectively hold more than 10% of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting, and 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 and the Articles of Association, provide written feedback on whether or not to convene the extraordinary general meeting within 10 days after receiving the request.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the resolution of the Board of Directors is made, and changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the Board of Directors does not agree to convene an extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares have the right to propose to the audit committee to hold an extraordinary general meeting, and shall make a written request to the audit committee.

Where the audit committee agrees to convene an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days of receiving the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

Where the audit committee fails to issue a notice of the general meeting within the prescribed time limit, it shall be deemed that the audit committee has not convened and presided over the general meeting, and shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over it on their own.

Where the audit committee or shareholders decide to convene a Shareholders' general meeting by themselves, they shall notify the Board of Directors in writing and file with the Agency of CSRC where the company is located and the SZSE at the same time.

Prior to the announcement of the resolution of the Shareholders' general meeting, the shareholding ratio of the convening shareholders shall not be less than 10%.

The audit committee or the convening shareholders shall submit relevant supporting materials to the SZSE when issuing the notice of the general meeting and the announcement of the resolutions of the Shareholders' general meeting.

The expenses necessary for the Shareholders' general meeting convened by the audit committee or the shareholders themselves shall be borne by the Company.

The Shareholders' general meeting shall be chaired by the chairman. When the chairman is unable to perform his duties or fails to perform his duties, the chairman shall be presided over by a director jointly elected by more than half of the directors.

Notice of Shareholders' General Meeting

The convener shall notify all Shareholders by way of announcement 21 days prior to the convening of the annual general meeting, and each Shareholder shall be notified by way of announcement 15 days prior to the convening of the extraordinary general meeting.

The notice of a Shareholders' general meeting shall include the following:

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

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

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

(4) the shareholding registration date of the Shareholders entitled to attend the general meeting;

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

(6) voting time and voting procedures on the Internet or in other ways.

The notice and supplementary notice of the Shareholders' general meeting shall fully and completely disclose all the specific contents of all proposals. Where an independent non-executive director is required to express opinions on matters to be discussed, the opinions and reasons of the independent non-executive directors shall be disclosed at the same time when the notice of Shareholders' general meeting and the supplementary notice are issued.

Proposals at Shareholders' General Meetings

The Board of Directors, the audit committee and Shareholders who individually or jointly hold more than 1% of the shares of the Company shall have the right to put forward proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the shares of the Company may submit an interim proposal in writing to the convener 10 days prior to the convening of the Shareholders' general meeting.

The convener shall issue a supplementary notice of the Shareholders' general meeting within 2 days after receiving the proposal, and announce the contents of the interim proposal. Where the Shareholders' general meeting is postponed in accordance with the requirements of the securities regulatory rules of the place where the Company's shares are listed due to the issuance of a supplementary notice of the Shareholders' general meeting, the convening of the Shareholders' general meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Proxy for the Shareholders' General Meeting

A shareholder may attend and vote at the shareholders' general meeting in person or by proxy.

Individual shareholders attending the meeting in person shall present their personal identity cards or other valid certificates or documents or proof of shareholding. Proxies attending the meeting shall present their personal identity cards and the proxy statements from the shareholder.

Corporate shareholders shall be represented by its legal representative or proxies authorized by the legal representative. Legal representatives attending the meeting shall present their personal identity cards or valid documents that can prove its identity as the legal representative. Proxies authorized to attend the meeting shall present their personal identity cards or the written proxy statement legally issued by the legal representative of the legal person shareholder, except for shareholders who are a recognized clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the shares of the company are listed (hereinafter referred to as the "Recognized Clearing House") or its proxy.

If the shareholder is a Recognized Clearing House, the Recognized Clearing House may authorize one or more persons it deems fit to act as its proxy at any general meeting or any meeting of creditors; however, 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. A person so authorized may act on behalf of the Recognized Clearing House (or its proxies) (no shareholding voucher, notarized authorization and/or further evidence to the duly authorization is required) as if such person were an individual shareholder of the Company.

If the power of attorney is signed by another person authorized by the principal, the power of attorney or other document authorizing the signature shall be notarized. 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.

If the principal is a legal person, its legal representative or the person authorized by a resolution of the Board or other decision-making body shall attend the shareholders' general meeting of the Company as the representative of such legal person.

The power of attorney issued by a shareholder to appoint another person to attend a general meeting shall contain the following particulars:

(I) name of the principal;

(II) name of the proxy;

(III) with or without voting rights;

(IV) instructions to vote for, against or abstain from voting on each matter to be considered that are included on the agenda of the shareholders' general meeting, respectively;

(V) date of issuance and date of expiry of the power of attorney;

(VI) signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed.

The power of attorney should state whether the proxy may vote as he/she wishes if the shareholder does not give specific instructions. If no such instruction is given, it is deemed that the proxy of the shareholder may vote as he/she wishes.

Voting at the Shareholders' General Meeting

Resolutions at shareholders' general meeting are divided into ordinary resolutions and special resolutions.

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

A special resolution at a shareholders' general meeting shall be passed by at least two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting (including proxies).

Shareholders (including proxies) shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be entitled to one vote. On a poll, Shareholders (including proxies) with two or more votes need not use all their voting rights in the same way.

The shares held by the Company shall have no voting right, and shall not be included in the total number of shares with voting rights of shareholders present at the shareholders' general meeting.

Where material issues affecting the interests of minority shareholders are considered at the shareholders' general meeting, the votes of minority shareholders shall be counted separately. And the separate votes counting results shall be disclosed publicly in a timely manner.

Where a related party transaction is considered at a shareholders' general meeting, the interested shareholder(s) shall abstain from voting, and the voting shares held by the interested shareholder(s) shall not be counted in the total number of voting shares. The announcement on the resolutions of the shareholders' general meeting shall fully disclose the voting of the non-interested shareholders.

The Board of Directors, independent non-executive Directors, shareholders holding more than one per cent of the shares with voting rights or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the CSRC may publicly solicit shareholders' voting rights. The solicitation of shareholders' voting rights shall provide full disclosure of information such as specific voting intentions to the solicited person. The solicitation of shareholders' voting rights by way of remuneration or disguised remuneration is prohibited. Except for statutory conditions, the Company shall not impose minimum shareholding restrictions on the solicitation of voting rights.

The following matters shall be passed by ordinary resolutions at the shareholders' general meeting:

(I) To decide on the company's operation policy and investment plan;

(II) work reports of the Board of Directors;

(III) plans for the distribution of profits and for recovery of losses proposed by the Board;

(IV) the election and removal of the members of the Board of Directors who are not staff representatives, and their remuneration and payment method;

(V) the annual financial budget and final account report of the Company;

(VI) the annual report of the Company;

(VII) to decide on the appointment, dismissal of the accounting firms of the Company;

(VIII) to examine and approve matters relating to changes in the use of proceeds;

(IX) Any other matters other than those shall be passed by special resolutions as required by laws, administrative regulations, the listing rules of the place where the shares of the Company are listed, or the Articles of Association.

DIRECTORS AND THE BOARD OF DIRECTORS

Directors

Directors of the Company may include executive Directors, non-executive Directors and independent non-executive Directors. Non-executive Directors refer to Directors who do not hold management positions in the Company. The qualification, nomination, election procedures and powers of independent non-executive Directors and other related matters shall be implemented in accordance with laws and relevant requirements of the CSRC and the stock exchange of the place of listing.

Directors shall be elected or replaced at a shareholders' general meeting, and can be removed by a shareholders' general meeting before the expiry of the term of office. Directors' term of office shall be three years, and upon expiry of the term of office, the Director may be re-elected in accordance with securities regulatory rules of the place where the Company's shares are listed.

The term of office of a Director shall be from the date of appointment to the expiry of term of office of the current Board. Where re-election is not promptly carried out upon expiry of the term of office of a Director, prior to appointment of a new Director, the original Director shall continue to carry out director duties pursuant to the provisions of laws, administrative regulations, ministry rules and the Articles of Association.

The general manager or any other senior management may hold the position of Director concurrently, but the aggregate number of Directors who hold the position of general manager or any other senior management position concurrently shall not exceed half of the total number of Directors of the Company.

A Director may resign prior to expiry of his/her term of office. A resigning Director shall submit a written resignation report to the Board of Directors. The Board of Directors shall disclose the relevant information within two days.

Where the resignation of the Director will render the number of Directors to fall below the statutory quorum or absence of accounting professional among the independent non-executive Directors, the original Director shall continue to perform director duties pursuant to the provisions of laws, administrative regulations, ministry rules and the Articles of Association prior to appointment of his/her replacement. The resignation of the Director shall take effect upon the election of a Director in place of the leaving Director.

Chairman

The Board of Directors shall appoint a Chairman. The Chairman shall be elected by more than one half of all Directors.

The Chairman shall exercise the following functions and powers:

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

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

(III) to exercise the functions and powers as a legal representative;

(IV) to sign the documents of the Board and other documents which shall be signed by the legal representative of the Company;

(V) in case of emergency of catastrophic natural disasters and other force majeure, to exercise the special right of disposal that is in line with the requirements of laws and interests of the Company on the matters of the Company, and report to the Board and the shareholders' general meeting afterwards; and

(VI) to exercise other functions and powers conferred by the Board.

Where the Chairman is unable or fails to perform his/her duties, more than one half of the Directors shall elect a Director to discharge such duties.

Board of Directors

The Company shall establish a Board of Directors, which shall comprise nine Directors. The Board of Directors has one Chairman.

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

(I) to convene shareholders' general meetings, and submit work reports to shareholders' general meetings;

(II) to implement the resolutions of shareholders' general meetings;

(III) to resolve on the Company's operation plans and investment plans;

(IV) to formulate the Company' annual financial budgets and final accounting plans;

(V) to formulate the Company's profit distribution plan and plan for making up of losses;

(VI) to formulate the Company's plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plan;

(VII) to formulate the Company's plans for significant acquisition, acquisition of the Company's shares (due to circumstances provided in items (I) and (II) of Article 24 of the Articles of Association) or merger, division, dissolution and change of company form;

(VIII) subject to compliance with securities regulatory rules of the place where the Company's shares are listed, to decide on the acquisition of the Company's shares (due to circumstances provided in items (III), (V) and (VI) of Article 24 of the Articles of Association);

(IX) to decide, within the scope of the mandate granted by a shareholders' general meeting, on the Company's external investments, acquisition and sale of assets, mortgage of assets, external guarantees, entrusted wealth management, related party transactions, external donations, etc.;

(X) to decide on the establishment of the Company's internal management organisations and branches;

(XI) to decide on the appointment or dismissal of the general manager, secretary to the Board and other senior management members of the Company, and to decide on their remunerations, incentives and penalties; to decide on the appointment or dismissal of senior management members such as the deputy general manager or person-in-charge of finance of the Company based on the nominations by the general manager, and to decide on their remunerations, incentives and penalties;

(XII) to formulate and amend the basic management system of the Company;

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

(XIV) to manage information disclosure of the Company;

(XV) to propose to a shareholders' general meeting on appointment or change of the accounting firms which provide audit services to the Company;

(XVI) to listen to work reports of the general manager of the Company and inspect his/her work; and

(XVII) Examine and approve the company's environmental, social and corporate governance (ESG) strategy, vision and objectives, and monitor the company's ESG performance and progress towards related objectives;

(XVIII) any other functions and powers stipulated by laws, administrative regulations, ministry rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Meetings of the Board of Directors shall be classified into regular meetings and extraordinary meetings. The Board of Directors shall convene at least four meetings every year and the Chairman shall convene the Board meetings. A written notice of a regular meeting of the Board of Directors shall be served 14 days before the meeting on all Directors and Supervisors.

Any shareholder(s) holding 1/10 or more of the voting rights, one-third or more of the Directors or the audit committee may propose the holding of an extraordinary meeting of the Board. The Chairman shall convene and preside over a Board meeting within 10 days from receipt of such proposal.

The notice of an extraordinary meeting of the Board shall be served by telephone and written notice (including personal delivery, post, fax and e-mail or any other manner approved by the Board of Directors). Notice of the meeting shall be served on all Directors five days before the date of the meeting. In case of an emergency, with the unanimous consent of all Directors, the convening of an extraordinary meeting of the Board may not be limited by the aforementioned notice period, but this shall be recorded in the minutes of the Board meeting and signed by all the Directors in attendance.

The Board meeting shall be held upon the attendance of more than half of Directors. Resolutions made by the Board of Directors must be passed by more than half of all Directors of the Company. But the decision of the company to provide external guarantees and financial assistance shall also be agreed and made by more than two-thirds of the directors present at the meeting of the board of directors.

Voting on the resolutions of the Board of Directors shall be conducted on a one-person-one-vote basis.

If any Director has connection with the enterprise involved in the resolution made at a Board meeting, the said Director shall not vote on the said resolution for himself/herself or on behalf of another Director. The Board meeting may be held when more than half of the non-connected Directors attend the meeting. The resolution of the Board meeting shall be passed by more than half of the non-connected Directors. If the number of non-connected Directors attending the meetings is less than three, the issue shall be submitted to the shareholders' general meeting for consideration. If there are any additional restrictions on Directors' participation in and voting at Board meetings in accordance with laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Directors shall attend Board meetings in person. If any Director cannot attend the meeting for any reason, he/she may authorize in writing another Director to act on his/her behalf. The power of attorney shall set out the name of the proxy, the matters represented, scope of authorization and validity period, and shall be signed or sealed by the appointing Director. The appointed Director who attends the meeting shall exercise the Director's duties within the scope of authorization. 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.

Special Committees under the Board

The Company has established the audit committee, the remuneration and appraisal committee, the nomination committee, the strategy and ESG committee.

The special committees shall be responsible to the Board of Directors, and perform their duties according to the Articles of Association and the authorization granted by the Board of Directors. The proposals shall be submitted to the Board of Directors for consideration and approval. All members of the special committees are composed of Directors, among which the number of independent non-executive Directors shall be the majority of the audit committee, remuneration and appraisal committee and nomination committee, and they shall act as the chairman of the committees. The chairman of the audit committee shall be an accounting professional. The Board of Directors is responsible for formulating the working procedures of the special committees and regulating their operations.

Secretary to the Board

The Company shall have a secretary to the Board, and shall be responsible for the preparation of the shareholders' general meeting and Board meeting, document keeping and management of information regarding the shareholders of the Company and other matters, and shall deal with information disclosure and other matters.

The secretary to the Board shall comply with the relevant provisions of the laws, administrative regulations, departmental rules and the Articles of Association.

General Manager and Other Senior Management Members

The Company shall have one general manager, who shall be appointed or dismissed by the Board. The Company shall have several deputy general managers, one (1) financial officer and several other senior management members recognized by the Board. Their appointment and dismissal are to be nominated by the general manager for approval by the Board.

The general manager, deputy general managers, financial officer, secretary to the Board of Directors and other senior management members recognized by the Board are senior management members of the Company. A Director may serve concurrently as the general manager, deputy general manager, financial officer or other member of the senior management.

The term of office of the general manager and other member of the senior management shall be three (3) years, renewable upon re-appointment.

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

(I) to be in charge of the Company's production, operation and management, and to organize and implement the resolutions of the Board of Directors and report on works to the Board of Directors;

(II) to organize and implement the Company's annual business plan and investment proposals;

(III) to draft plans for the establishment of the Company's internal management organizations;

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

(V) to formulate specific rules and regulations for the Company;

(VI) to propose to the Board of Directors on the appointment or dismissal of deputy general manager and financial officer of the Company;

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

(VIII) To formulate the wages, benefits, rewards and punishments of the company's employees, and decide on the employment and dismissal of the company's employees;

(IX) With the authorization of the board of directors, handle external affairs on behalf of the company and sign contracts including investment, cooperative operation, joint venture operation, loan, etc.;

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

The general manager shall attend meetings of the Board of Directors.

Senior management members shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior management member causes damage to the interests of the Company and its public shareholders due to failure in faithfully performing their duties or violation of his/her fiduciary duties, he/she shall be liable for compensation in accordance with laws.

QUALIFICATIONS AND RESPONSIBILITIES OF DIRECTORS

A person may not serve as a Director of the Company in any of the following circumstances:

(I) a person who has no or restricted capacity for civil conduct;

(II) a person who has committed an offense of corruption, bribery, infringement of property, misappropriation of property or disruption of the socialism economic order and has been punished because of committing such offense where less than five years have lapsed following the completion of the implementation of the punishment; or who has been deprived of his/her political rights for committing an offense where less than five years have lapsed following such deprivation;

(III) a person who is a former director, factory manager or president of a company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than three years have lapsed following the date of the completion of the insolvency and liquidation of such company or enterprise;

(IV) a person who is a former legal representative of a company or enterprise which had its business license revoked or had been ordered to close down due to violation of the laws and has incurred personal liability, where less than three years have lapsed since the date of the revocation of such business license;

(V) a person who has a relatively large amount of debt due and outstanding;

(VI) a person who is currently being prohibited from participating in the securities market by the China Securities Regulatory Commission as unfit to serve as a director, supervisor or senior management member of listed companies and such barring period has not elapsed;

(VII) a person who has been publicly determined by the stock exchange as unfit to serve as a director, supervisor or senior management member of listed companies, with the term yet to be expired;

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

FINANCIAL AND ACCOUNTING SYSTEM

The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the provisions stipulated by the relevant authorities of the PRC. The Company shall adopt the Gregorian calendar year for its fiscal year, i.e. the fiscal year shall be from January 1 to December 31.

The Company shall submit and disclose its annual reports to the CSRC and the stock exchange in the place where the Company's shares are listed within four months from the end of each fiscal year, and its interim reports to the relevant branch office of the CSRC and the stock exchange in the place where the Company's shares are listed within two months from the end of the first half of each fiscal year.

The aforesaid annual reports and interim reports shall be prepared in accordance with relevant laws, administrative regulations and requirements of the CSRC and the stock exchange in the place where the Company's shares are listed.

The Company will not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

The Company is required to allocate 10% of its profits into its statutory reserve fund when distributing each year's after-tax profits. 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.

Where the statutory reserve fund of the Company is insufficient to make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve fund in accordance with the provisions in the preceding paragraph.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

Reserve funds of the Company are used for recovering losses of the Company and expanding scale of operation of the Company or conversion into its capital, but capital reserve fund shall not be used for making up the Company's losses.

When the statutory reserve funds are converted into capital, the remaining balance of such reserve fund must not be less than 25% of its registered capital before such conversion.

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

INTERNAL AUDIT

The Company has implemented an internal audit system and established the internal audit department equipped with full-time auditors to conduct internal audit and supervision on the Company's financial revenues and expenditures and economic activities.

The internal audit system of the Company and the duties of the auditors shall be implemented upon approval by the Board. The person in charge of audit shall be accountable and report to the Board.

APPOINTMENT OF ACCOUNTING FIRM

The Company shall appoint such accounting firm which has complied with the Securities Law for carrying out the audit for the accounting statements, net asset verification and other relevant consultancy services. The term of appointment is one (1) year and can be re-appointed.

The appointment of accounting firm by the Company shall be subject to the approval of the shareholders' general meetings. The Board of Directors may not appoint accounting firm before the approval of the shareholders' general meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding, and misrepresentation.

The audit fees of an accounting firm shall be determined at the shareholders' general meeting.

If the Company removes or no longer re-appoints the accounting firm, it shall notify such accounting firm thirty (30) days in advance. When shareholders vote for the removal of such accounting firm, such accounting firm shall be entitled to state its opinions at the shareholders' general meeting.

Where the accounting firm resigns its office, it shall make clear to the shareholders' general meeting whether or not there are irregularities in the Company.

SETTLEMENT OF DISPUTES

The Company shall comply with the following principles for settlement of disputes:

(I) For all disputes or claims in connection with the Company's affairs arising between the shareholders of H shares and the Company, between the shareholders of H shares and the Directors, Supervisors, general manager and senior management of the Company with respect to the rights and obligations specified in these Article of Associations, the Company Law, and other pertinent laws and administrative regulations, the parties concerned shall submit such disputes or claims for settlement by arbitration.

When submitted for arbitration, the above disputes or claims shall be the entirety of the claims or entirety of the disputes. All persons with cause of action for the same origin of particulars or all necessary participants to such disputes or claims, if they are the Company or the shareholders, Directors, Supervisors, general manager or senior management of the Company, shall obey the arbitration.

Disputes concerning the definition of shareholders and the register of shareholders are not required to be settled by arbitration.

(II) Arbitration applicants may select China International Economic and Trade Arbitration Commission to carry out the arbitration in accordance with its arbitration rules or choose Hong Kong International Arbitration Center to carry out the arbitration in accordance with its securities arbitration rules. After an arbitration applicant submit a dispute or claim for arbitration, the other party must accept arbitration at the arbitration organization chosen by the applicant.

If an arbitration applicant chooses Hong Kong International Arbitration Center for arbitration, either party to such dispute or claim may require arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of Hong Kong International Arbitration Centre.

(III) The arbitration proceedings in connection with any dispute or claim specified in item (I) shall be governed by the laws of the People's Republic of China (excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Chinese Taiwan), unless otherwise specified in laws and administrative regulations.

(IV) The arbitration award issued by the arbitration institution shall be final and binding upon each party to the dispute or claim.