This appendix mainly provides [**REDACTED**] with an overview of the Articles of Association. Since the following data is a summary, it does not contain all the data that may be important to [**REDACTED**].

SHARES

Share Issuance

Shares of the Company shall be issued in an open, fair and impartial manner, and each share of the same class has the same rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price for each share; the subscriber shall pay the same price for each share for which it/he/she subscribes for.

The par value of the shares issued by the Company is denominated in RMB.

The H shares [**REDACTED**] by the Company shall be deposited with the trusted companies subordinate to [**REDACTED**], and may also be held in name(s) of individual shareholder(s); the unlisted domestic shares issued by the Company shall be registered and deposited with the domestic securities depository and clearing institution in a centralized manner.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Based on its operational and development needs, the Company may, pursuant to the laws and regulations and with the approval by a resolution at the shareholders' meeting, increase its registered capital by the following ways:

(I) issuing shares to non-specific investors upon approval by relevant authorities;

(II) issuing shares to specific investors;

(III) issuing bonus shares to existing shareholders;

(IV) converting reserve fund into share capital;

(V) other means as approved by laws, administrative regulations and the regulatory authorities such as the CSRC and the securities regulatory authorities of the place where the shares of the Company are listed.

Where the Company increases its registered capital, it shall proceed with the procedures stipulated in the relevant laws and regulations after obtaining approval for the increase in accordance with the provisions of the Articles of Association and the place where the shares of the Company are listed.

The Company may reduce its registered capital. Any reduction in the registered capital of the Company shall comply with the procedures stipulated in the Company Law, the Listing Rules of the Hong Kong Stock Exchange and other laws, administrative regulations and normative documents, as well as other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The Company shall not purchase its own shares, except under any of the following circumstances on the premise that it does not violate laws, regulations, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association:

(I) to reduce the registered capital of the Company;

(II) to merge with other companies that hold the shares of the Company;

(III) to use the shares for employee stock ownership plans or as equity incentive;

(IV) to purchase its own shares at the request made by shareholders who have dissenting views on any resolutions adopted at the shareholders' meeting concerning the merger or division of the Company;

(V) to use shares for conversion of corporate bonds issued by the company which are convertible into shares;

(VI) it is necessary for the Company to maintain its value and safeguard shareholders' interests.

(VII) other circumstances as permitted by laws, administrative regulations, departmental rules, normative documents, the Listing Rules of the Hong Kong Stock Exchange, and other regulatory rules of the place where the shares of the Company are listed.

The Company may purchase its own shares through centralized public trading, or through any other means accepted by laws, administrative regulations, normative documents, the Listing Rules of the Hong Kong Stock Exchange, other securities regulatory rules of the place where the shares of the Company are listed, and the CSRC (where necessary).

The purchase by the Company of its own shares under any of the circumstances specified in items (I) and (II) above shall be subject to resolution passed by the shareholders' meeting. The purchase by the Company of its own shares under any of the circumstances specified in items (III), (V) and (VI) above shall be subject to a board resolution approved by more than two-thirds of directors attending the board meeting, provided that it complies with the applicable securities regulatory rules of the places where the shares of the Company are listed. After purchasing its own shares, the Company shall perform the information disclosure obligations as stipulated in the SFO, the requirements of the exchange where the shares of the Company are listed and other securities regulatory rules.

After purchasing its own shares under the circumstances specified in item (I) above, the shares shall be canceled by the Company within 10 days from the date of purchase; after purchasing its own shares under the circumstances specified in items (II) and (IV) above, the shares shall be transferred or canceled by the Company within six months; after purchasing its own shares under the circumstances specified in items (III), (V) and (VI) above, the total number of shares of the Company held by the Company shall not exceed 10% of the total issued shares of the Company and the shares shall be transferred or canceled within three years.

Where otherwise provided for by laws, regulations, the Listing Rules of the Hong Kong Stock Exchange and the securities regulatory authority of the place where the shares of the Company are listed in relation to matters regarding share repurchases, such provisions shall prevail.

SHARE TRANSFER

The shares of the Company shall be transferred in accordance with laws. Transfer of H shares listed in Hong Kong shall be registered with the local share registration institution in Hong Kong entrusted by the Company.

All transfers of H shares shall be effected by instruments of transfer in writing in an ordinary or regular form or in any other form acceptable to the Board of Directors (including the standard transfer format or transfer form as prescribed by the Hong Kong Stock Exchange from time to time). If the transferor or transferee of the shares of the Company is a recognized clearing house (hereinafter referred to as the "Recognized Clearing House") or its agent as defined by relevant provisions of the Hong Kong laws in force from time to time, the written instrument of transfer may be signed by hand or by machine-printed signatures. All the instruments of transfer must be maintained at the legal address of the Company or such other address as the Board of Directors may specify from time to time.

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

Shares issued before the Company prior to the public offer of shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange. Where otherwise provided for by laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange or the securities regulatory authorities of the place where the shares of the Company are listed in relation to the transfer by the shareholders and actual controllers of a listed company of their shares of the Company, such provisions shall prevail.

Directors, and senior management of the Company shall declare to the Company their shareholdings in the Company and any changes of such shareholdings; they shall not transfer more than 25% of all the shares they hold in the Company annually during their term of office as determined at the time of his/her assumption of office; and they shall not transfer the shares they hold in the Company within one year from the date on which the shares of the Company are listed and traded. The aforesaid persons are not allowed to transfer their shares of the Company within half a year from the date of their resignation. Where the direct shareholdings in the Company of the above-mentioned persons changes due to the equity distribution by the Company and otherwise, shall still comply with the foregoing provisions. Where the shares are pledged within the period of restriction on transfer prescribed by laws or the administrative regulations, the pledgee is not allowed to exercise the pledge right within such period of restriction. Where otherwise provided for by the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

Where shareholders who hold more than 5% of the shares of the Company, directors or the senior management of the Company sell the shares of the Company or any other securities that are equity in nature which they hold within six months after the date of purchase or repurchase them within six months after the date of sale, the proceeds received therefrom shall belong to the Company, and the Board of Directors of the Company shall be responsible for recovering such proceeds, except where a securities company holds more than 5% of the shares due to its purchase of any unsubscribed shares in an underwriting transaction, and for other circumstances stipulated by the CSRC. Where otherwise provided for by the listing rules of the place where the shares of the Company are listed and relevant regulatory rules, such provisions shall prevail. In the event that the Board of Directors of the Company fails to comply with this provision, shareholders have the right to demand the Board of Directors to take action within 30 days. If the Board of Directors of the Company fails to take action within such time limit, shareholders are entitled to institute proceedings in their own names before the people's court for the benefit of the Company. In the event that the Board of Directors of the Company fails to comply with the preceding provisions, the directors who are responsible for the matter shall assume joint and several liability under laws.

The shares or any other securities that are equity in nature held by the above-mentioned directors, senior management and natural person shareholders include those held by their spouses, parents, children, as well as those held through other parties' accounts.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall establish a register of members based on the vouchers provided by the securities registration and clearing institution. The register of members shall be the sufficient evidence proving the shareholders' holding of the shares of the Company. The original register of members of H shares listed in Hong Kong shall be kept in Hong Kong. The Company shall keep at its premise a copy of the register of members of H shares; the entrusted overseas agent(s) has/have the duty to always ensure that the original register of members of H shares and the copies thereof are consistent. The original register of members kept in Hong Kong is available for shareholders' inspection, but the Company may close the register of members in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed. Shareholders enjoy rights and assume obligations according to the class of shares held by him/her; shareholders who hold shares of the same class enjoy equal rights and assume equal obligations.

When the Company convenes a shareholders' meeting, distributes dividends, conducts liquidation or is engaged in any other acts requiring the identification of shareholders, the Board of Directors or the convener of the shareholders' meeting shall determine the date of record. Shareholders whose names appear on the register of members after the trading hours of the date of record are those entitled to the relevant rights and interests.

The rights of the Company's shareholders are as follows:

(I) to receive distribution of dividends and other forms of benefits in proportion to the number of shares held by them;

(II) to demand, convene, preside, attend or appoint proxy(ies) to attend the shareholders' meetings lawfully and to exercise corresponding voting rights;

(III) to supervise the business operations of the Company, provide suggestions or raise queries;

(IV) to transfer, grant or pledge the shares held in accordance with the provisions of laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association;

(V) to inspect and copy the Articles of Association, register of members, minutes of shareholders' meetings, resolutions of the meetings of the Board of Directors, and financial and accounting reports. Shareholders who meet the requirements may inspect the Company's accounting books and accounting vouchers;

(VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held by them;

(VII) for shareholders who have dissenting views on the resolutions of merger or division made by the shareholders' meeting, to request the Company to purchase the shares they hold;

(VIII) any other rights as provided for by laws, administrative regulations, departmental rules, normative documents, the Listing Rules of the Hong Kong Stock Exchange, other regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Where any shareholder demands to read or copy the relevant information, he/she shall comply with laws and administrative regulations including the Company Law and the regulatory requirements of the place where the shares of the Company are listed.

Shareholders of the Company have the following obligations:

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

(II) to pay the share subscription price based on the shares subscribed for by them and the method of acquiring such shares;

(III) not to withdraw their capital in circumstances stipulated by laws and regulations;

(IV) not to abuse shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the independent status of the Company's legal person and the limited liability of shareholders to damage the interests of the Company's creditors;

(V) to assume other obligations required by laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, the regulatory requirements of the place where the shares of the Company are listed and the Articles of Association.

If a shareholder of the Company abuses shareholder's rights and causes losses to the Company or any other shareholders, he/she shall bear liability for compensation in accordance with law. If a shareholder of the Company abuses the independent status of the Company's legal person and the limited liability of shareholders, evade debts, and causes material harm to the interests of the Company's creditors, he/she shall bear joint and several liability for the debts of the Company.

CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS

The Company's controlling shareholders and actual controllers shall exercise their rights and fulfill their obligations in accordance with the requirements of laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, the CSRC and other regulatory rules of the place where the shares of the Company are listed, and shall safeguard the interests of the listed company.

The Company's controlling shareholders and actual controllers shall comply with the following provisions:

(I) to exercise shareholder rights in accordance with laws, and not to abuse control rights or use related-party (connected) relationships to damage the legitimate rights and interests of the Company or other shareholders;

(II) to strictly fulfill the public statements and various commitments made, and not to change or exempt them without authorization;

(III) to strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate in the information disclosure work, and promptly inform the Company of major events that have occurred or are about to occur;

(IV) not to occupy the Company's funds in any way;

(V) not to force, instruct, or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(VI) not to use the Company's major information undisclosed to seek benefits, not to disclose the Company's major information undisclosed in any way, and not to engage in illegal and irregular activities such as insider trading, short-swing trading, and market manipulation;

(VII) not to damage the legitimate rights and interests of the Company and other shareholders through unfair related-party (connected) transactions, profit distribution, asset restructuring, and external investment and otherwise;

(VIII) to ensure the integrity of the Company's assets, personnel independence, financial independence, institutional independence, and business independence, and not to affect the independence of the Company in any way;

(IX) other provisions of laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, the CSRC, other regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If the Company's controlling shareholders and actual controllers do not serve as directors of the Company but actually execute the Company's affairs, the provisions of the Articles of Association on directors' duties of loyalty and diligence shall apply. If the Company's controlling shareholders and actual controllers instruct directors and senior management members to engage in activities that damage the interests of the Company or shareholders, they shall bear joint and several liability with such directors and senior management members.

GENERAL PROVISIONS OF SHAREHOLDERS' MEETING

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

(I) to elect and replace directors and to decide on matters relating to the remuneration of directors;

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

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

(IV) to resolve on any increase or reduction of the Company's registered capital;

(V) to resolve on the issuance of securities or corporate bonds and the listing plan of the Company;

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

(VII) to amend the Articles of Association;

(VIII) to resolve on the appointment, dismissal or non-reappointment of accounting firm for the audit of the Company and determine its remuneration;

(IX) to examine and approve the guarantees stipulated in Article 46 of the Articles of Association;

(X) to consider any major assets purchased or sold within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(XI) to examine and approve the change in the use of proceeds raised;

(XII) to examine equity incentive scheme and employee stock ownership plan.

(XIII) to consider matters relating to the acquisition of the shares of the Company that shall be resolved on by the shareholders' meeting as stipulated by laws and regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;

(XIV) to consider matters relating to the related-party (connected) transactions that shall be resolved on by the shareholders' meeting as stipulated by laws and regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;

(XV) to consider other matters that shall be resolved on by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the Listing Rules of the Hong Kong Stock Exchange, the regulatory requirements of the place where the shares are listed of the Company or the Articles of Association.

The shareholders' meeting may authorize the Board of Directors to resolve on the issuance of corporate bonds.

The following external guarantees by the Company shall be considered and approved by the shareholders' meeting:

(I) the total amount of the external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;

(II) the total amount of the external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;

(III) a guarantee provided to a party with a debt ratio of more than 70%;

(IV) the amount of a single guarantee exceeds 10% of the latest audited net assets;

(V) the amount of a guarantee provided by the Company within one year exceeds 30% of the latest audited total assets of the Company;

(VI) a guarantee provided to shareholders, actual controllers and their related (connected) parties;

(VII) other guarantees that are subject to consideration by the shareholders' meeting as stipulated by laws and regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or other normative documents.

Other external guarantee matters that do not meet the above standards shall be approved by the Board of Directors.

The guarantees within the scope of authority of the Board of Directors shall also be approved by more than two-thirds of the directors present at the board meeting in addition to being approved by a majority of all directors.

Any transaction conducted by the Company (excluding transactions such as financial assistance, provision of guarantees, the Company's receipt of cash asset donations, or obtaining debt relief without consideration payment or any attached obligations) that meets the following criteria in accordance with the definition of "transaction" and relevant calculation methods stipulated in the Hong Kong Listing Rules shall not only be considered and approved by the Board of Directors but also submitted to the shareholders' meeting for consideration and approval:

(I) major transactions;

(II) very substantial disposals;

(III) very substantial acquisitions;

(IV) reverse takeovers.

For the purposes of this Article, "transactions" include: purchase or sale of assets; external investments (including entrusted wealth management, investments in subsidiaries, etc.); lease-in or lease-out of assets; entrustment or acceptance of entrustment for asset and business management; donation or acceptance of assets; external donations; debt restructuring; execution of license agreements; transfer or assignment of R&D projects; grant, acceptance, transfer, exercise, termination or waiver of rights (including waiver of right of first refusal, pre-emptive right to subscribe for capital contributions, etc.).

The aforementioned transactions exclude the following types of transactions conducted by the Company in connection with its daily operations: purchase of raw materials, fuels and power; acceptance of services; sale of products and commodities; provision of services; engineering contracting; and other transactions related to daily operations. However, the aforementioned transactions involved in asset swaps shall still be included.

The calculation method for the transaction amount referred to in this Article shall be determined with reference to the relevant provisions of Chapter 14 of the Hong Kong Listing Rules, as applicable.

Subject to the provisions of Article 21 of Articles of Association, any financial assistance provided by the Company (including interest-bearing or interest-free loans, entrusted loans, etc.) that falls under the matters requiring approval by the shareholders' meeting as stipulated in the Hong Kong Listing Rules shall not only be considered and approved by the Board of Directors but also submitted to the shareholders' meeting for deliberation and approval.

The provisions of the preceding paragraph shall not apply if the recipient of the financial assistance is a controlled subsidiary within the Company's consolidated financial statements, and none of the other shareholders of such controlled subsidiary are the controlling shareholder, actual controller of the Company or their related (connected) persons.

CONVENING OF SHAREHOLDERS' MEETING

Shareholders' meetings shall be convened by the Board of Directors in accordance with laws. Independent non-executive directors have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting with the consent of more than a majority of all independent non-executive directors. For such proposal, the Board of Directors shall, in accordance with laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, give a written feedback on whether it agrees to convene such extraordinary shareholders' meeting within 10 days after receiving the proposal. If the Board of Directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after the resolution is made by the Board of Directors. If the Board of Directors does not agree to convene an extraordinary shareholders' meeting, it shall explain. Where otherwise provided for by the securities regulatory authorities of the place where the shares of the Company are listed, such provisions shall prevail.

The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting and shall make such proposal in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the regulatory requirements of the place where the shares of the Company are listed and the Articles of Association, give a written feedback on whether it agrees to convene such extraordinary shareholders' meeting within 10 days after receiving the proposal. If the Board of Directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after the resolution is made by the Board of Directors, and any changes to the original proposal set out in the notice are subject to approval of the Audit Committee. Where the Board of Directors does not agree to convene an extraordinary shareholders' meeting or fails to give a feedback within 10 days after receiving the proposal, it shall be deemed to be unable to perform or fail to perform its duty of convening the shareholders' meeting, in which case the Audit Committee may unilaterally convene and preside over the meeting.

Shareholders who individually or jointly hold 10% or more of the shares of Company shall have the right to request the Board of Directors to convene an extraordinary shareholders' meeting and shall submit their request in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, the regulatory requirements of the place where the shares of the Company are listed and the Articles of Association, give a written feedback on whether it agrees to convene such extraordinary shareholders' meeting within 10 days upon its receipt the request. If the Board of Directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after the resolution is made by the Board of Directors, any changes to the original proposal set out in the notice are subject to approval of the relevant shareholders. Where the Board of Directors does not agree to convene an extraordinary shareholders' meeting or fails to give a feedback within 10 days upon its receipt of the request, the shareholders who individually or jointly hold 10% or more of the shares of the Company shall have the right to propose to the Audit Committee to convene an extraordinary shareholders' meeting and shall submit their request in writing. Where the Audit Committee agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days upon its receipt of the request, any changes to the original proposal set out in the notice are subject to approval of the relevant shareholders. Where the Audit Committee fails to issue the notice of the shareholders' meeting within the prescribed period, it shall be deemed that the Audit Committee will not convene and preside over the shareholders' meeting, and shareholders who individually or jointly hold more than 10% of the shares of the Company for more than 90 consecutive days may unilaterally convene and preside over the meeting.

Where the Audit Committee or shareholders decide to convene a shareholders' meeting on their own, it shall give a notice to the Board of Directors in writing and take corresponding actions in accordance with the regulatory requirements of the place where the shares of the Company are listed. When the Audit Committee or the convening shareholders issue the notice of shareholders' meeting and publicly announce the resolution(s) of the shareholders' meeting, they shall take corresponding actions in accordance with the regulatory requirements of the place where the shares of the Company are listed. The shareholding held individually or jointly by the convening shareholders in the Company shall not fall below 10% before the resolution was made by the shareholders' meeting.

PROPOSAL AND NOTICE OF SHAREHOLDERS' MEETING

The contents of a proposal shall fall within the scope of the terms of reference of the shareholders' meeting, contain clear topics for discussion and specific matters for resolution, and comply with relevant laws and regulations, the Listing Rules of the Hong Kong Stock Exchange, other regulatory requirements of the place where the shares of the Company are listed and the relevant provisions of the Articles of Association.

Where the Company convenes a shareholders' meeting, the Board of Directors, the Audit Committee, and shareholders who individually or jointly hold more than 1% of the shares of the Company have the right to submit proposals to the Company. Shareholders who individually or jointly hold more than 1% of the shares of the Company may submit a provisional proposal in writing to the meeting convener 10 days before the convening of the shareholders' meeting. The provisional proposal shall have clear topics for discussion and specific matters for resolution. The meeting convener shall issue a supplementary notice of the shareholders' meeting within two days after receiving the proposal to inform the contents of the provisional proposal, and shall submit the provisional proposal to the shareholders' meeting for consideration, unless the provisional proposal violates laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, other regulatory requirements of the place where the shares of the Company are listed, or the Articles of Association, or falls outside the scope of the terms of reference of the shareholders' meeting. Where otherwise provided for by the securities regulatory rules of the places where the shares of the Company are listed regarding the publication of the supplementary notice of the shareholders' meeting, such provisions shall prevail on the premise that they do not violate the Company Law and the Securities Law. If the shareholders' meeting must be postponed due to the publication of the supplementary notice of the shareholders' meeting under the securities regulatory rules of the places where the shares of the Company are listed, convening of the shareholders' meeting shall be postponed in accordance with the securities regulatory rules of the place where the shares of the Company are listed. Except for the circumstances stipulated in the preceding paragraph, the meeting convener shall not modify the proposals set out in the notice of the shareholders' meeting or add new proposals after issuing the notice of the shareholders' meeting. A proposal that is not set out in the notice of the shareholders' meeting or not in compliance with the Articles of Association shall not be submitted for voting or resolution at the shareholders' meeting.

Subject to laws, administrative regulations, and regulatory requirements of the place where the shares of the Company are listed, the meeting convener shall notify each shareholder by way of an announcement 21 days before the annual shareholders' meeting and 15 days before the extraordinary shareholders' meeting. The Company shall not include the date of the meeting but exclude the date of issuance of notice in calculating the starting period. Where otherwise provided for by laws, regulations and the securities regulatory authority of the place where the shares of the Company are listed, such provisions shall prevail.

The notice of the shareholders' meeting shall include the following contents:

(I) the time, venue, and duration of the meeting;

(II) the matters and proposals to be submitted for consideration at the meeting;

(III) a clear statement that all shareholders are entitled to attend the shareholders' meeting and may appoint a proxy in writing to attend the meeting and vote on their behalf. The shareholder's proxy need not be a shareholder of the Company;

(IV) the date of record for shareholders entitled to attend the shareholders' meeting;

(V) name, telephone number, and email address of the permanent contact person for the meeting;

(VI) the time of voting and procedures for voting online or by other means;

(VII) other matters as stipulated by laws, administrative regulations, normative documents, the Listing Rules of the Hong Kong Stock Exchange, and other regulatory requirements of the place where the shares of the Company are listed.

The notice and supplementary notice of the shareholders' meeting shall include the contents stipulated in the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association, and shall fully and completely record all the specific contents of all proposals. The interval between the date of record and the date of meeting shall not be more than seven working days. Once the date of record is confirmed, no change may be made thereafter.

CONVENING OF SHAREHOLDERS' MEETING

All shareholders or their proxies whose names have been registered as at the date of record are entitled to attend the shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association. Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend and vote on their behalf.

An individual shareholder who attends the meeting in person shall produce his/her identity card or other valid proof or certificate of his/her identity; in the case of attendance by a proxy, the proxy shall produce the valid proof of his/her identity and a power of attorney from the shareholder. A non-natural person shareholder shall be represented at the meeting by its legal representative/executive partner (or its assigned representative) or its proxy. The legal representative/executive partner (or his/her assigned representative) attending the meeting shall produce his/her identity card or the valid certificate proving his/her qualification to be a legal representative/executive partner (or his/her appointed representative); in the case of attendance by a proxy, the proxy shall produce his/her identity card and a written power of attorney issued by the legal representative/executive partner (or its assigned representative) of the non-natural person shareholder (other than a recognized clearing house or its nominee) according to law.

Where a shareholder is a recognized clearing house or its agent within the meaning of the relevant regulations of Hong Kong formulated from time to time, such shareholder may authorize one or more persons as it thinks fit to act as its proxy or representative at any shareholders' meeting or any creditors' meeting, provided that if more than one person is so authorized, the power of attorney or authorization document shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorized may represent the recognized clearing house or its agent to attend the meeting (without being required to produce evidence of shareholding, the notarized power of attorney and/or further evidence to prove that the person has been duly authorized) and exercise the legal rights equivalent to those of other shareholders, including the rights to speak and vote, as if such person were an individual shareholder of the Company.

The power of attorney issued by a shareholder to authorize another person to attend the shareholders' meeting shall specify the following contents:

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

(II) name of the proxy;

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

(IV) date of issue and validity period of the power of attorney;

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

(VI) other matters to be specified as required by the regulatory requirements of the place where the shares of the Company are listed.

Directors and senior management personnel shall give an explanation and clarification regarding the inquiries and suggestions from shareholders at the shareholders' meeting.

The meeting chairman shall announce the number of shareholders and proxies present at the meeting and the total number of shares with rights to vote held by them before voting. The number of shareholders and proxies present at the meeting and the total number of shares with rights to vote held by them shall be subject to the register of the meeting.

Meeting minutes shall be kept for the shareholders' meeting, and shall record the following contents:

(I) the time, venue, agenda of the meeting and the name of the meeting convener;

(II) the names of the meeting chairman and directors and senior management personnel attending the meeting;

(III) the number of shareholders and proxies present at the meeting, the total number of shares with rights to vote held by them and the proportion of their shares to the total number of the shares of the Company;

(IV) the consideration process and voting results of each proposal;

(V) the inquiries or suggestions from shareholders and the corresponding replies or explanations;

(VI) the names of lawyers (if any), vote counters and scrutineers;

(VII) other contents that shall be recorded in the meeting minutes as required by laws, administrative regulations, the regulatory requirements of the place where the shares of the Company are listed or the Articles of Association.

VOTING AND RESOLUTIONS OF SHAREHOLDERS' MEETING

The resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions. An ordinary resolution shall be adopted by a simple majority of the votes held by the shareholders (including shareholders who attend the shareholders' meeting through proxies) attending the shareholders' meeting. A special resolution shall be adopted by a two-thirds majority of the votes held by the shareholders (including shareholders who attend the shareholders' meeting through proxies) attending the shareholders' meeting.

The following matters shall be passed by an ordinary resolution of the shareholders' meeting:

(I) work reports of the Board of Directors;

(II) profit distribution proposals and loss recovery proposals proposed by the Board of Directors;

(III) appointment or dismissal of the members of the Board of Directors and their remunerations and relevant means of payment;

(IV) annual reports of the Company;

(V) to decide on the appointment, dismissal or non-renewal of the appointment of the accounting firms by the Company or matters relating to the remuneration of the accounting firms;

(VI) other matters other than those that shall be passed by special resolutions as required by the laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, other regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

The following matters shall be passed by a special resolution of the shareholders' meeting:

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

(II) the division, merger, dissolution, and liquidation of the Company;

(III) amendment to the Articles of Association;

(IV) purchases or sales of significant assets by the Company or guarantees provided to others with an amount exceeding 30% of the total assets in the latest audited consolidated financial statements of the Company within one year;

(V) equity incentive plan;

(VI) other matters required by the laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, other regulatory rules of the place where the shares of the Company are listed or the Articles of Association, as well as those determined by ordinary resolutions of the shareholders' meeting to have a significant impact on the Company, and which require to be passed by special resolutions.

Shareholders (including shareholders who attend the shareholders' meeting by proxy) shall exercise his/her voting rights based on the number of voting shares held with each share representing one vote. When the shareholders' meeting deliberates on major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate vote-counting shall be counted in accordance with relevant laws, regulations and regulatory rules of the place where the shares of the Company are listed and publicly disclosed in a timely manner. If relevant laws, regulations, the Listing Rules of the Hong Kong Stock Exchange or other regulatory rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail. The shares held by the Company shall have no voting rights and shall not be counted in the total number of voting shares present at the shareholders' meeting.

According to the applicable laws and regulations, the Listing Rules of the Hong Kong Stock Exchange, and other regulatory rules of the place where the shares of the Company are listed, if a shareholder who is required to abstain from voting on a resolution or is restricted to cast an affirmative or a negative vote shall abstain from voting or be required to so vote, any vote cast by such shareholder or on behalf of such shareholder which is cast in violation of the relevant regulations or restrictions shall not be counted in the total number of voting shares.

If shareholders purchase with voting shares of the Company in violation of the provisions of paragraph 1 and paragraph 2 of Article 63 of the Securities Law (if there are no relevant mandatory provisions in the listing rules and relevant regulatory rules of the place where the shares of the Company are listed, this may not apply), the portion of shares exceeding the specified proportion shall not exercise voting shares within 36 months after the date of purchase and shall not be counted in the total number of voting shares present at the shareholders' meeting.

The Board of Directors, independent non-executive directors, shareholders holding 1% or more of the voting shares, or the investor protection bodies established in accordance with the laws, administrative regulations, or the requirements of the securities regulatory authorities of the place where the shares of the Company are listed, or the CSRC, may solicit voting rights from shareholders. When soliciting voting rights from shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. It is prohibited to solicit voting rights from shareholders by means of consideration or disguised consideration. The Company may not impose any minimum shareholding requirements for the solicitation of voting rights except under the conditions as stipulated in the laws.

When relevant related (connected) transactions are considered at the shareholders' meeting, related (connected) shareholders shall not participate in voting, and the number of voting shares represented by them shall not be counted in the total number of valid votes; the shareholders' meeting resolution shall fully disclose the voting situation of non-related (connected) shareholders. The Company is obliged to determine the scope of related (connected) shareholders and perform the relevant procedures for deliberating related (connected) transactions in accordance with relevant laws, regulations, the Listing Rules of the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the shares of the Company are listed.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be natural persons. A person shall be disqualified from being a director of the Company in each of the following circumstances:

(I) a person who does not have or who has limited capacity for civil conduct;

(II) a person who has been convicted of and sentenced for offenses relating to corruption, bribery, trespass to assets, misappropriation of assets or disrupting the order of the socialist market economy or who has been deprived of his/her political rights as a result of him/her having committed an offense and, in each case, a period of 5 years has not elapsed since the completion of the term of the sentence or deprivation; and, in case of suspension of sentence, no more than two years have elapsed since the date of expiration of the probationary period;

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

(IV) a person who was a legal representative of a company or an enterprise which had its business license revoked or was ordered to close down on the grounds of contravention of law, and who incurred personal liability thereof, and a period of 3 years has not elapsed since the date of revocation of the business license or order of closure of that company or enterprise;

(V) a person who is listed as a dishonest person subject to enforcement by the people's court due to his/her failure to repay his/her relatively large amount of debts when due;

(VI) a person who has been forbidden by the securities regulatory authority with a penalty to access the securities market and who is still in the period of penalty;

(VII) a person who has been publicly recognized by the stock exchange as unsuitable for serving as a director, senior management member of the Company for a period that has not yet expired;

(VIII) other circumstances that prohibit a person from being a director of the Company as stipulated by laws, administrative regulations, departmental rules, the Listing Rules of the Hong Kong Stock Exchange, or other securities regulatory authorities of the place where the shares of the Company are listed.

Where the Company elects or appoints any director in violation of the provisions above, such elections, appointments or hiring shall be invalid. Where any director, during his/her term of office, is under any of the circumstances as mentioned above, the Company shall remove him/her from his/her office and stop him/her from performing his/her duties.

Directors shall be elected or replaced by the shareholders' meeting and may be removed by the shareholders' meeting before the expiration of their term of office. The term of office of directors shall be three years, and the directors shall be eligible for re-election upon expiration of their term of office in accordance with the provisions of the securities regulatory rules of the place where the shares of the Company are listed. The term of office of a director shall commence from his/her accession till the expiry of the term of the current session of the Board of Directors. Where the election of directors fails to be timely conducted upon expiry of the term of office of the former directors, the former directors, prior to the accession of the newly elected directors, perform their duties as directors in accordance with laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed and the Articles of Association. A director may serve concurrently as senior management member, provided that the aggregate number of the directors who serve concurrently as senior management members and directors (being employee representatives) does not exceed one half of the total number of the directors of the Company. Representatives of the employees in the Board of Directors (if any) shall be democratically elected by the employees of the Company at the employee representatives' meeting, employees' meeting or in other forms, and therefore not subject to the approval of the shareholders' meeting.

Board of Directors

The Company shall establish a Board of Directors. The board shall consist of 7 directors, including 3 independent non-executive directors, and 1 chairman who shall be elected by more than half of all directors. The members of the Board of Directors shall be elected by the shareholders' meeting in accordance with the law, in which at least 1 independent non-executive director shall have appropriate professional qualifications that meet the requirements of the Listing Rules of the Hong Kong Stock Exchange or have appropriate accounting or related financial management expertise, and there shall be at least 1 independent non-executive director who generally resides in Hong Kong.

The Board of Directors exercises the following powers:

(I) to convene shareholders' meeting and report on its work to the shareholders' meeting;

(II) to implement the resolutions of the shareholders' meeting;

(III) to decide the Company's business plans and investment proposals;

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

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

(VI) to formulate proposals for material acquisitions, acquisition, repurchase of the Company's shares or merger, division, dissolution and change of corporate form of the Company in accordance with the regulations of the securities regulatory rules of the place where the shares of the Company are listed;

(VII) to decide on external investments, acquisition or disposal of assets, assets security, external guarantee, entrusted wealth management, related (connected) transactions and external donations of the Company in accordance with the regulations of the securities regulatory rules of the place where the shares of the Company are listed and within the scope of authorized by the shareholders' meeting;

(VIII) to decide on the setup of the Company's internal management organs;

(IX) to decide on appointment or dismission of the Company's manager and Chief Executive Officer (CEO) and other senior management members, and to decide on their remuneration, rewards and punishments; to decide on appointment or dismission of senior management members such as the Chief Financial Officer (CFO), Chief Technology Officer (CTO), Chief Marketing Officer (CMO), and the secretary of the Board of Directors based on the nomination by the manager and Chief Executive Officer (CEO), and to decide on their remuneration, rewards and punishments;

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

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

(XII) to manage the Company's information disclosure;

(XIII) to propose to hire or replace an accounting firm auditing for the Company to the shareholders' meeting;

(XIV) to listen to the work report of the Company's manager and Chief Executive Officer (CEO) and inspect the work of the manager and Chief Executive Officer (CEO);

(XV) other powers as conferred by laws, administrative regulations, departmental rules, the Listing Rules of the Hong Kong Stock Exchange, other regulatory rules of the place where the shares of the Company are listed, or the Articles of Association and granted by the shareholders' meeting.

Matters which are beyond authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The Board of Directors shall provide explanations to the shareholders' meeting for the unqualified audit opinions issued by the certified accountants on the financial reports of the Company.

The Board of Directors may formulate the rules of procedures for the Board of Directors as needed, specifying the procedures for convening and voting of the Board of Directors to ensure its implementation of the resolutions passed at shareholders' meeting, to enhance efficiency and to ensure scientific decision-making. The rules of procedures for the Board of Directors as an appendix to the Articles of Association shall be formulated by the Board of Directors and subject to approval by the shareholders' meeting.

The Board of Directors shall, in accordance with the regulatory rules of the place where the shares of the Company are listed and within the scope of authorization granted by the shareholders' meeting, approve the following transaction matters in accordance with the authority stipulated in the Articles of Association:

(I) purchase or disposal of assets;

(II) external investments (including entrusted wealth management, investments in the subsidiaries, etc.);

(III) provision of financial assistance (including entrusted loans);

(IV) provision of guarantees other than the external guarantees that require the approval of the shareholders' meeting in accordance with the provisions of Articles of Association (referring to guarantees provided by the Company for others, including guarantees for controlling subsidiaries);

(V) leasing in or leasing out of assets;

(VI) signing management contracts (including entrusted operation, commissioned operation, etc.);

(VII) donation or receipt of donated assets;

(VIII) creditor's rights or debt restructuring;

(IX) transfer of research and development projects;

(X) signing licensing agreements;

(XI) waiver of rights (including waiver of pre-emptive rights, priority to subscribe for capital contributions, etc.).

For major investment projects, the Board of Directors shall organize the relevant experts and professionals to conduct assessment for approval by the shareholders' meeting.

For transactions that should be submitted to the Board of Directors for consideration in accordance with the relevant provisions of the Listing Rules of the Hong Kong Stock Exchange and other securities regulatory rules of the place where the shares of the Company, such transactions shall be submitted to the Board of Directors for consideration.

Meetings of the Board of Directors shall be held only if more than half of the directors are present. Resolutions of the Board of Directors shall be adopted by more than half of all directors. Voting at meetings of the Board of Directors shall be on a one-person-one-vote basis.

Independent Non-executive Directors

The independent non-executive directors shall have the meaning consistent with that of "independent non-executive directors" in the Listing Rules of the Hong Kong Stock Exchange. Independent non-executive directors shall also comply with other requirements regarding independence as stipulated under the Listing Rules of the Hong Kong Stock Exchange and the securities regulatory rules of the place where the shares of the Company are listed.

Independent non-executive directors shall comply with laws, administrative regulations, regulations of securities regulatory authorities, regulatory provisions of the place where the shares of the Company are listed and the Articles of Association, conscientiously perform their duties, play a role in participating in decision-making, providing supervision and check-and-balance as well as professional advice to the Board of Directors and safeguarding the overall interests of the Company, and protecting the legitimate interests of minority shareholders.

Independent non-executive directors, as members of the Board of Directors, shall owe a duty of loyalty and duty of diligence to the Company and all its shareholders, and shall perform the following duties with due care:

(I) to participate in the decision-making of the Board of Directors and express explicit opinions on matters discussed;

(II) to supervise matters relating to potential material conflicts of interest between the Company and its controlling shareholders, actual controllers, directors and senior management, and to protect the legitimate interests of minority shareholders;

(III) to provide professional and objective advice on the operation and development of the Company and promote the improvement of the decision-making level of the Board of Directors;

(IV) other duties as stipulated by laws, administrative regulations, regulations of the securities regulatory authority, regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Independent non-executive directors shall exercise the following special powers:

(I) to independently engage intermediary institutions to audit, consult or verify specific matters of the Company;

(II) to propose for the convening of extraordinary shareholders' meetings to the Board of Directors;

(III) to propose for the convening of board meetings;

(IV) to publicly solicit shareholders' rights from shareholders in accordance with the law;

(V) to express independent opinions on matters that may jeopardize the interests of the Company or minority shareholders;

(VI) other powers as stipulated by laws, administrative regulations, regulations of the CSRC, regulatory requirements of the place where the shares of the Company are listed, and the Articles of Association.

When an independent non-executive director exercise any of the powers in items (I) to (III) above, he/she shall obtain the approval of more than half of all independent non-executive directors.

The Company shall disclose in a timely manner any exercise of the powers listed above by independent non-executive directors. If the aforementioned powers cannot be exercised properly, the Company shall disclose the details and reasons thereof.

The following matters shall be submitted to the Board of Directors for consideration after being approved by more than half of all independent non-executive directors of the Company:

(I) related (connected) transactions that shall be disclosed;

(II) changes in or waivers of commitments by the Company and related parties;

(III) decisions made and measures taken by the Board of Directors of the acquired company in response to the acquisition;

(IV) other matters stipulated by laws, administrative regulations, regulations of the securities regulatory authority, regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Special Committees of the Board

The Board of Directors of the Company shall establish an Audit Committee, which shall exercise the powers of the board of supervisors as stipulated by the Company Law. The Audit Committee shall consist of 3 members who are directors not serving as senior management in the Company, among which 2 shall be independent non-executive directors. The chairman of the Audit Committee shall be an independent director who is an accounting professional.

The Audit Committee is responsible for reviewing the financial information of the Company and its disclosure, 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 being approved by more than half of all members of the Audit Committee:

(I) disclosure of financial information in financial accounting reports and periodic reports, as well as internal control evaluation reports;

(II) engagement or dismissal of the accounting firm conducting audit services for the Company;

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

(IV) changes in accounting policies, accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;

(V) other matters stipulated by laws, administrative regulations, provisions of the securities regulatory authorities, regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The Board of Directors of the Company shall establish special committees for nomination and remuneration, which shall perform their duties in accordance with laws and regulations, the securities regulatory rules of the place where the shares of the Company are listed, the Articles of Association and the powers delegated by the Board of Directors. Proposals made by special committees shall be submitted to the Board of Directors for consideration and decision. The Board of Directors shall be responsible for formulating the working procedures of special committees. The majority of members of the Remuneration Committee and the Nomination Committee shall be independent non-executive directors. The Remuneration Committee must be chaired by an independent non-executive director, and the Nomination Committee must be chaired by the chairman of the Board of Directors or an independent non-executive director. The Nomination Committee shall include at least one director of a different gender.

The Nomination Committee is responsible for formulating the criteria and procedures for selection of directors and senior management, selecting and reviewing the candidates for directors and senior management and their qualifications, and making recommendations to the Board of Directors on the following matters:

(I) nomination or appointment and removal of directors;

(II) appointment or dismissal of senior management;

(III) other matters as stipulated by laws, administrative regulations, provisions of the CSRC, the Listing Rules of the Hong Kong Stock Exchange, other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinion of the Nomination Committee and the specific reasons for its non-adoption in a resolution of the Board of Directors and make corresponding disclosure.

The Remuneration Committee is responsible for the formulation of standards for appraising and conducting evaluation of directors and senior management, and the formulation and review of the remuneration determination mechanisms, decision-making procedures, payment and suspension of payment and recovery arrangements, and other remuneration policies and proposals for directors and senior management, and making recommendations to the Board of Directors on the following matters:

(I) the remuneration of directors and senior management;

(II) the formulation or amendment of equity incentive scheme and employee stock ownership plan, and the granting of rights to incentive recipients and the achievement of conditions for the exercise of such rights by incentive recipients;

(III) the arrangement of stock ownership plans for directors and senior management in the event of a proposed spin-off of a subsidiary;

(IV) other matters as stipulated by laws and regulations, the Listing Rules of the Hong Kong Stock Exchange, other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the remuneration and appraisal committee, it shall record the opinion of the remuneration and appraisal committee and the specific reasons for its non-adoption in a resolution of the Board of Directors and make corresponding disclosure.

SENIOR MANAGEMENT

The Company shall have a manager and chief executive officer (CEO), chief financial officer (CFO), chief technology officer (CTO), chief marketing officer (CMO) and secretary of the Board of Directors, who shall be appointed or dismissed by the Board of Directors.

Any person who takes administrative position other than a director or supervisor in the controlling shareholder of the Company shall not act as the senior management of the Company. The Company's senior management shall receive their salaries only from the Company and not from the controlling shareholder on behalf of the Company.

The term of office of the manager and CEO shall be three years, renewable upon reappointment.

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

(I) to preside over the production and operation management of the Company, organize the enforcement of resolutions of the Board of Directors and report to the Board of Directors on work;

(II) to organize the implementation of the annual operation plans and investment schemes of the Company;

(III) to formulate the structure scheme of the internal management department of the Company;

(IV) to formulate the fundamental management policies of the Company;

(V) to formulate the specific rules of the Company;

(VI) to propose to the Board of Directors the appointment or dismissal of the Company's CFO, CTO, CMO and secretary of the Board of Directors;

(VII) to decide on the appointment or dismissal of management personnel, except for those who shall be appointed or dismissed by the Board of Directors;

(VIII) other responsibilities assigned by the Articles of Association or the Board of Directors.

The manager and CEO shall attend the meeting of the Board of Directors.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting System

The Company formulates and discloses its financial and accounting system in accordance with the laws, administrative regulations, requirements of relevant departments of the State and regulatory rules of the place where the shares of the Company are listed.

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

When the Company distributes its after-tax profits for the current year, it shall allocate 10% of the profits to the Company's statutory reserve funds. If the cumulative amount of the Company's statutory reserve funds reaches 50% or more of the Company's registered capital, no further allocation is required. If the Company's statutory reserve funds are insufficient to make up for the losses of previous years, the current year's profits shall be used to make up for the losses before allocating the statutory reserve funds as stipulated in the previous paragraph. After the Company allocates the statutory reserve funds from its after-tax profits, it may, upon resolution of the shareholders' meeting, also allocate discretionary reserve funds from the after-tax profits. The remaining after-tax profits after making up losses and allocation of common reserve fund shall be distributed in proportion to the number of shares held by the shareholders, unless otherwise stipulated in the law and regulations, regulatory rules of the place where the securities of the Company are listed or the Articles of Association. If the shareholders' meeting distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the regulations to the Company; where losses are caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation. The own shares held by the Company shall not be entitled to profit distribution. The Company shall appoint one or more receiving agent(s) in Hong Kong for the H shareholders. The receiving agent(s) shall collect, on behalf of relevant H shareholders, the dividends distributed by the Company in respect of H shares and other payables, and keep such amounts for future payments to such H shareholders. The receiving agent(s) appointed by the Company shall comply with the requirements of the laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed.

The Company's reserve fund shall be applied to make up for the Company's losses, expand its production and business operations, or increase the Company's registered capital. When the Company's losses are made up with reserve funds, the discretionary reserve funds and the statutory reserve funds shall first be used; if insufficient, the capital reserve funds may be used according to the provisions. Upon the conversion of statutory reserve funds for increase of registered capital, the balance of the statutory reserve funds shall not be less than 25% of the registered capital of the Company before such conversion.

The annual profit distribution proposal of the Company shall be proposed by the Chairman of the Board in light of the provisions of Articles of Association, the Company's profit situation, capital requirements and shareholder return plan. After being considered and approved by the Board of Directors and the Audit Committee, the proposal shall be submitted to the shareholders' meeting for approval. The distribution of dividends (or shares) shall be completed within two months after the shareholders' meeting of the Company has made a resolution on the profit distribution plan, or after the Board of Directors of the Company has formulated a specific plan in accordance with the conditions and cap for the interim dividend distribution of next year approved by the annual shareholders' meeting.

Internal Audit

The Company implements an internal audit system, which clearly stipulates the leadership structure, duties and authorization, personnel allocation, finance support, audit results application, accountability and other matters in relation to internal audit work.

Engagement of Accounting Firm

The Company engages an accounting firm that is qualified under the regulatory rules of the place where the shares of the Company are listed for auditing financial statements, verify its net assets, and provide other relevant consulting services. The accounting firm shall serve a term of one year and the engagement may be renewed.

The engagement and dismissal of an accounting firm by the Company shall be subject to the determination of the shareholders' meeting. The Board of Directors shall not appoint accounting firm prior to the decision of the shareholders' meeting.

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

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

When the Company dismisses or does not renew the engagement of an accounting firm, it shall give 7 days' advance notice to such accounting firm. The accounting firm may present its views when the dismissal of the accounting firm is voted at the shareholders' meeting of the Company.

If the accounting firm proposes to resign, it shall make a representation to the shareholders' meeting as to whether the Company has any irregularity.

NOTICE AND ANNOUNCEMENT

A notice of the Company shall be served as follows, subject to laws, regulations, rules and relevant regulations of the stock exchange where the shares of the Company are listed:

(I) by hand or in writing;

(II) by mail;

(III) by e-mail;

(IV) by announcement on the websites designated by the Company and the Hong Kong Stock Exchange, subject to the laws, administrative regulations and the listing rules of the stock exchange on which the shares of the Company are listed;

(V) by other means specified beforehand by the Company and/or the recipient or approved by the recipient after receiving the notice;

(VI) by other means as approved by the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Subject to compliance of law, administrative regulations, the listing rules of the stock exchange on which the shares of the Company are listed and the Articles of Association, if a notice of the Company is served by announcement, the said notice shall be deemed as received by all the relevant persons once it is announced.

The notice of the shareholders' meeting of the Company shall be served by hand, express delivery, fax, email or announcement. Where the regulatory rules of the place where the shares of the Company are listed have any other provisions, such provisions shall prevail.

The notice of the board meeting of the Company shall be served by hand, email, fax, mail or telephone, or announcement.

Unless the context otherwise requires, the term "announcement" as mentioned above, in respect of an announcement issued to the holders of H shares or issued in Hong Kong as required under the relevant regulations and the Articles of Association, shall be published on the Company's website, the website of the Hong Kong Stock Exchange, and other websites as stipulated by the Listing Rules of the Hong Kong Stock Exchange from time to time in accordance with the relevant requirements of the Listing Rules of the Hong Kong Stock Exchange.

If the notice of the Company is served by hand, the recipient shall affix signature (or seal) to the return on service and the signing date shall be the date of service; if the notice of the Company is served by mail, the third working day after handover to the post office shall be the date of service; if the notice of the Company is delivered by fax, the date of the fax report printed by the fax machine of the Company indicating that the facsimile has been successfully faxed shall be the date of service; if the notice of the Company is delivered by email, the date when the message information enters the specified system of the recipient shall be the date of delivery; if the notice of the Company is served by telephone, the date of the telephone notice shall be the date of delivery; if the notice of the Company is served by announcement, the date of first announcement shall be the date of service.

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

Merger, Division, Capital Increase and Capital Reduction

Companies may merge through merger by absorption or through the establishment of a newly merged entity. The absorption of a company by another company is known as merger by absorption, whereby the company being absorbed shall be dissolved. The merger of two or more companies to establish a new company is known as merger by a new establishment, whereby the merged parties shall be dissolved.

Where the price paid for the merger of the Company does not exceed 10% of the net assets of the Company, it may not be subject to a resolution of the shareholders' meeting, unless otherwise provided in the Articles of Association. Where the merger of the Company pursuant to the preceding paragraph is not subject to a resolution of the shareholders' meeting, it shall be subject to a resolution of the Board of Directors.

In the event of a merger of the Company, the merged parties shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall inform its creditors within 10 days and publish an announcement on designated media and the HKEXnews website of Hong Kong Stock Exchange (**www.hkexnews.hk**) and the National Enterprise Credit Information Publicity System within 30 days after approving the merger resolution. The creditors shall require the Company to pay off the debts or to provide corresponding security within 30 days of the receipt of the notice, or within 45 days upon the date of the announcement if they do not receive the notice.

Upon merger of the Company, the claims and debts of each of the merged parties shall be assumed by the surviving company or the newly established company.

Where there is a division of the Company, its properties shall be divided accordingly. In the case of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall inform its creditors within 10 days and publish an announcement on the National Enterprise Credit Information Publicity System within 30 days after approving the division resolution.

Unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before division, liabilities of the Company prior to the division shall be jointly assumed by surviving companies after division.

Where the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days upon the passing of the resolution by the shareholders' meeting about the reduction in the registered capital and publish an announcement on the National Enterprise Credit Information Publicity System within 30 days. The creditors shall be entitled to require the Company to pay off the debts or to provide corresponding security within 30 days of the receipt of the notice, or within 45 days upon the date of the announcement if they do not receive the notice. When the Company reduces its registered capital, it shall reduce the amount of capital contributions or shares in proportion to shareholders' capital contributions or shareholdings, unless otherwise stipulated in the law, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association. The registered capital of the Company after the capital reduction shall not be lower than the statutory minimum level required by laws.

Where the Company still incurs losses after making up its losses in accordance with the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or calls on share. The aforesaid requirements relating to the notice and announcement period for capital reduction shall not apply to the reduction in the registered capital in accordance with the aforesaid provisions. The Company shall publish an announcement on the National Enterprise Credit Information Publicity System within 30 days from the date of the resolution on the reduction of its registered capital at the shareholders' meeting. After reducing its registered capital in accordance with the aforesaid provisions, the Company shall not distribute profits until the cumulative amount of its statutory common reserve fund and discretionary common reserve fund reaches 50% of its registered capital.

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

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(I) the term of business of the Company has expired or other events of dissolution occur under the Articles of Association;

(II) the shareholders' meeting resolves to dissolve the Company;

(III) the Company needs to be dissolved due to merger or division;

(IV) the business license is revoked, or the Company is ordered to close or be deregistered according to applicable laws;

(V) where the Company encounters significant difficulties in business and management, continuous survival may be significantly detrimental to the interests of the shareholders, and the difficulties may not be overcome through other means, shareholders who hold more than 10% of all voting rights of the Company may request the people's court to dissolve the Company.

The Company shall, within 10 days of the occurrence of the reasons for dissolution stipulated in the preceding paragraph, make an announcement of the reasons for dissolution through the National Enterprise Credit Information Publicity System.

In the event of the circumstance as set forth in items (I) and (II) above, the Company may subsist by amending the Articles of Association or through a resolution of the shareholders' meeting, provided that the Company has not distributed its property to the shareholders. The amendment of the Articles of Association in accordance with provisions set out above or the resolution of the shareholders' meeting shall be subject to the approval of more than two-thirds of voting rights held by the shareholders present at the shareholders' meeting.

Where the Company is dissolved under items (I), (II), (IV) and (V) above, it shall be liquidated. The directors are the liquidation obligors of the Company and shall form a liquidation team to carry out liquidation within 15 days after the occurrence of an event of dissolution. The liquidation team shall be composed of directors of the Company, unless it is otherwise provided for in the Articles of Association or elected by the shareholders' meeting. If the liquidation obligors fail to perform their liquidation obligations in a timely manner and causes losses to the Company or creditors, they shall be liable for compensation.

AMENDMENT TO THE ARTICLES

Amendments shall be made to the Articles in any of the following circumstances:

(I) after an amendment of the Company Law, the Listing Rules of the Hong Kong Stock Exchange and other regulatory rules of the place where the shares of the Company are listed, or relevant laws and administrative regulations, and there is any conflict between the provisions of the Articles and those of the amended laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange and other regulatory rules of the place where the shares of the Company are listed;

(II) there are changes in the particulars of the Company which are different from that set out in the Articles;

(III) the shareholders' meeting has decided to amend the Articles.

Amendments to the Articles adopted by a resolution of the shareholders' meeting which are subject to approvals from relevant competent authority shall be submitted to the competent authority for approval; if it involves registered particulars of the Company, application shall be made for change in registration in accordance with laws.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting for amendments to the Articles and the review opinions from the relevant competent authority.

Where amendments to the Articles involve information to be disclosed as required by laws, regulations and the securities regulatory rules of the place where the shares of the Company are listed, the Company shall publish an announcement in accordance with the provisions.