This appendix sets forth a summary of the principal provisions of the Articles of Association approved on October 10, 2025, which will become effective from the date of [**REDACTED**] of the H Shares on the Hong Kong Stock Exchange. The main purpose of this Appendix is to provide potential [**REDACTED**] with an overview of the Company's Articles of Association, and therefore it may not contain all the information that is important to potential [**REDACTED**].

GENERAL PROVISIONS

The Company is a perpetual joint stock company. Shareholders shall be liable to the Company to the extent of the shares they have subscribed for, while the Company shall be liable for its debts with all of its assets.

From the effective date of the Articles of Association, they shall constitute legally binding documents governing the organization and operations of the Company, as well as the rights and obligations between the Company and its shareholders, and among the shareholders themselves. The Articles of Association shall be binding upon the Company, its shareholders, directors and senior management. Pursuant to the Articles of Association, shareholders may bring legal actions against other shareholders, the Company, or its directors and senior management; while the Company may bring legal actions against its shareholders, directors and senior management.

BUSINESS SCOPE

The legally registered business scope of the Company includes: software development; software sales; technology promotion services; information system integration services; computer and office equipment maintenance; technical services, technical development, technical consulting, technical exchange, technology transfer, and technology promotion; network technology services; information technology consulting services; financial consulting; tax services; environmental protection monitoring; ecological resource monitoring; energy conservation management services; technology import and export; goods import and export; import and export agency; business training (excluding educational training, vocational skills training, and other training requiring permits); educational consulting services (excluding educational training activities subject to licensing and approval)

SHARES

Issuance of Shares

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

The ordinary shares issued by the Company consist of domestic shares and foreign shares. Share issuance shall be issued in accordance with the principles of openness, fairness and justice, and each of the shares of the same class shall carry the same rights. Shares of the same class in the same offering shall be issued under the identical terms and at the same price per share. Each of the shares shall be subscribed for at the same price.

Increase, Decrease and Repurchase of Shares

According to the operation and development needs of the Company, subject to the laws and regulations and the Hong Kong Listing Rules, the Company may increase the registered capital by the following ways upon approval of separate resolutions at the shareholders' meeting:

(I) issuing shares to unspecified parties;

(II) issuing shares to specific targets;

(III) distribution of bonus shares to existing shareholders;

(IV) converting the reserve funds into share capital;

(V) other methods permitted by laws, administrative regulations, the CSRC, and the Hong Kong Stock Exchange.

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

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

(II) to merger with other companies holding shares in the Company;

(III) to use shares for employee shareholding schemes or as equity incentives;

(IV) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders' meeting regarding the merger or division of the Company;

(V) to use the shares to satisfy the conversion of the convertible corporate bonds into shares issued by the Company;

(VI) to safeguard corporate value and shareholders' interests as the Company deems necessary.

The Company may repurchase its own shares through centralized public trading or by other methods permitted under applicable laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory requirements of the jurisdiction where the shares of the Company are listed, and the CSRC (if applicable).

The Company shall obtain approval at the shareholders' meeting when acquiring its own shares under the circumstances specified in items (I) and (II) as set out above. In cases where the Company acquires its shares pursuant to items (III) and (V) as set out above, such acquisition shall be approved by a resolution of the board of directors, passed by more than two-thirds of all directors present, in accordance with the Articles of Association or the authorization granted by the shareholders' meeting.

Where the Company acquires its shares under the circumstance described in item (I), it shall cancel the shares within 10 days of the purchase date. If the acquisition falls under item (II) or (IV), the Company shall transfer or cancel the shares within six months. For acquisitions under item (III) or (V), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the provisions of laws, regulations, and the Articles of Association.

The shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing and trading of the Company's shares 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 transferrable by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of shares of the same class 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.

When shareholders holding more than 5% of the shares, directors and senior management of the Company sell their shares or other equity securities within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the listing rules of places where the Company's shares are listed shall prevail.

Upon file with the CSRC, the holders of unlisted shares of the Company may have all or part of the shares held by them listed and traded on overseas stock exchange(s); the holders of domestic unlisted shares of the Company may transfer all or part of the shares held by them to foreign investors and have the shares listed and traded on overseas stock exchange(s); All or part of domestic unlisted shares are convertible into overseas-listed shares which may be listed and traded on overseas stock exchange(s). The shares transferred or converted shall comply with the regulatory procedures, provisions and requirements of the overseas securities market when listed and traded in an overseas stock exchange. No shareholders' meeting is required to be convened for voting in respect of the conversion and/or transfer and listing of such shares on overseas stock exchanges.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

General Provisions on Shareholders

The Company shall maintain a register of shareholders based on the records provided by the securities registrar. The register of shareholders shall serve as sufficient evidence of a shareholder's ownership of the Company's shares. Shareholders shall enjoy rights and assume obligations in accordance with the class of shares they hold, and shareholders holding the same class of shares shall be entitled to identical rights and subject to identical obligations.

The transfer and change of ownership of shares shall be recorded in the register of shareholders. The original register of shareholders for overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.

Shareholders of the Company shall have the following rights:

(I) to receive dividends and other forms of profit distribution in proportion to the number of shares they hold;

(II) to request the convening of, to convene, to preside over, and to attend shareholders' meetings in person or by proxy, and to exercise corresponding voting rights in accordance with the law;

(III) to supervise the Company's operations and to make suggestions or inquiries;

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

(V) to inspect and copy the Articles of Association, register of shareholders, minutes of shareholders' meeting, resolutions of board meetings and financial accounting reports, and shareholders who meet the requirements may inspect the Company's accounting books and certificates of account;

(VI) to participate in the distribution of the Company's residual assets in proportion to their shareholdings upon termination or liquidation of the Company;

(VII) to require the Company to repurchase their shares if they dissent from a resolution of the shareholders' meeting on merger or division;

(VIII) to inspect the Hong Kong branch register of members of the Company, provided that the Company may suspend the registration of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

(IX) to enjoy other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association.

In the event that the content of a resolution adopted by a shareholders' meeting or a Board meeting violates any law or administrative regulation, shareholders shall have the right to request a people's court to declare the resolution void.

If the convening procedures or voting methods of a shareholders' meeting or a Board meeting violate any law, administrative regulation, or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders may, within 60 days from the date the resolution is passed, request a people's court to revoke the resolution. However, if the procedural irregularities in the convening or voting are minor and have not had a substantive impact on the outcome of the resolution, the resolution shall remain valid.

Where disputes arise among the board of directors, shareholders, or relevant parties regarding the validity of a shareholders' meeting resolution, the disputing parties shall promptly initiate legal proceedings with the People's Court. Prior to a judgment or ruling by the People's Court, all relevant parties shall comply with and implement the resolution, and no party may refuse to execute such resolutions on the grounds of their alleged invalidity. The Company, its directors, and senior management shall diligently fulfill their duties to ensure the Company's normal operations.

The resolutions of shareholders' meeting of the Company or Board meetings shall be deemed invalid under any of the following circumstances:

(I) the resolution was adopted without convening a shareholders' meeting or Board meeting;

(II) no voting was conducted on the subject matter of the resolution at the shareholders' meeting or Board meeting;

(III) the number of attendees or the voting rights represented at the meeting failed to meet the quorum requirements prescribed under the Company Law or the Articles of Association;

(IV) the number of votes or voting rights in favour of the resolution failed to meet the thresholds prescribed under the Company Law or the Articles of Association.

Where the directors or senior management (other than members of the Audit Committee) violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, the shareholders severally or jointly holding 1% or more of the Company's shares for a period of 180 consecutive days or longer are entitled to request the Audit Committee to initiate legal proceedings with the people's court in writing; where the members of the Audit Committee violate the provisions of laws, administrative regulations or the Articles of Association in the performance of duties and cause losses to the Company, the aforesaid shareholders may request the board of directors to initiate legal proceedings with the people' s court in writing.

Upon receipt of shareholders' written request stipulated in the preceding paragraph, if the Audit Committee or the board of directors refuses to initiate legal proceedings or fails to initiate such legal proceedings within 30 days from receipt of such request, or in the event of emergency where the interest of the Company will suffer irreparable damages if legal proceedings is not initiated immediately, the shareholders stipulated in the preceding paragraph shall have the right to initiate legal proceedings directly with the people' s court in their own name for the interest of the Company.

Shareholders of the Company shall undertake the following obligations:

(I) to comply with laws, administrative regulations and the Articles of Association;

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

(III) not to withdraw its share capital unless in the circumstances stipulated by laws and regulations;

(IV) not to abuse their shareholders' rights to jeopardise the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardise the interests of any creditors of the Company;

(V) other obligations as required by laws, administrative regulations, the Articles of Association and rules governing the listing of securities of the place where the shares of the Company.

Shareholders of the Company who abuse their shareholders' rights and cause losses to the Company or other shareholders shall be liable for compensation according to laws. Shareholders of the Company who abuse the independent status of the Company as a legal person and the limited liability of shareholders to evade debts and seriously damage the interests of the creditors of the Company shall bear joint and several liabilities for the debts of the Company.

Shareholders' Meeting

The shareholders' meeting of the Company is composed of all shareholders. The shareholders' meeting is the authority of the Company and shall exercise the following powers:

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

(II) to consider and approve reports of the board of directors;

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

(IV) to decide on the increase or reduction of the registered capital of the Company;

(V) to decide on the issue of corporate bonds of the Company;

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

(VII) to amend to the Articles of Association;

(VIII) to decide on the appointment, dismissal of the accounting firm engaged in the audit work of the Company;

(IX) to consider and approve the guarantees issues as prescribed in Article 44 of the Articles of Association;

(X) to consider the purchase or disposal of material assets within one year with an amount exceeding 30% of the latest audited total assets of the Company;

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

(XII) to consider and approve equity incentive plans and employee stock option plans;

(XIII) to consider other matters required to be resolved by the shareholders' meeting pursuant to laws, administrative regulations, departmental rules and regulations, the Articles of Association.

The shareholders' meeting may authorize the board of directors to resolve on the issue of corporate bonds.

The Company may issue shares, corporate bonds convertible into shares by a resolution of the shareholders' meeting or by a resolution of the board of directors as authorized by the Articles of Association or the shareholders' meeting, the specific implementation of which shall comply with the laws, administrative regulations, the provisions of the CSRC or the Hong Kong Stock Exchange.

Unless otherwise provided by law, administrative regulations, the provisions of the CSRC and the stock exchange where the Company' s shares are listed, the functions and powers of the shareholders' meetings described in the first paragraph of this article shall not be delegated to the board of directors or any other organizations or individuals through authorization.

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

(I) any subsequent guarantee in addition to the aggregate of all external guarantees provided by the Company or its controlled subsidiary with a total amount more than 50% of the Company's latest audited net assets;

(II) any subsequent guarantee in addition to the aggregate of all external guarantees provided by the Company with a total amount more than 30% of the Company's latest audited total assets;

(III) the guarantees provided to entities with more than 70% debt-to-equity ratio;

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

(V) the guarantees provided to shareholders, de facto controllers and their related parties;

(VI) the guarantees to the aggregate of all guarantees provided by the Company to others within one year with a total amount more than 30% of the Company's latest audited total assets;

(VII) other circumstances as required by laws, administrative regulations, rules of departments, normative documents, the Hong Kong Listing Rules and the Articles of Association.

When considering the guarantee in item (VI) of the preceding paragraph, it shall be passed by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting.

When the resolution on providing guarantee for shareholders, actual controllers and their related/connected persons is considered at a shareholders' meeting, such shareholder or shareholders controlled by such actual controller shall not participate in the voting, and the resolution shall be passed by more than half of the voting rights held by other shareholders present at the shareholders' meeting.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, such guarantees may be exempted from being submitted to the board of directors and the shareholders' meeting for consideration.

If the directors, general managers and other senior management violate the provisions of laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association regarding the approval authority and review procedures for external guarantees and cause losses to the Company, they shall bear liability for compensation and the Company may bring lawsuits against them in accordance with the law.

Shareholders' meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year within 6 months after the end of the previous fiscal year.

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

(I) when the number of directors is less than the number prescribed in the Company Law or two-thirds of the number prescribed in the Articles of Association;

(II) when the Company's unrecovered losses amount to one-third of the total paid-in share capital;

(III) when any shareholder(s) holding individually or collectively 10% or more of the Company's shares request(s) for the convening of an extraordinary general meeting;

(IV) when deemed necessary by the board of directors;

(V) when proposed by the audit committee;

(VI) other circumstances as required by laws, administrative regulations, departmental rules, or the Articles of Association.

The venue of the shareholders' meeting of the Company shall be the domicile or place of business of the Company, or such other place as specified in the notice of the shareholders' meeting.

A venue shall be set up for a shareholders' meeting, which shall, in principle, be convened by means of physical meeting. Subject to the securities supervision rules of the places where the Company's shares are listed, facilities may be provided to allow shareholders to attend the meeting through online voting, enabling shareholders to virtually attend using technology and cast their votes by electronic means.

After a shareholders' meeting notice is issued, the venue for the on-site meeting may not be changed without justifiable reasons. If a change is determined to be necessary, the convener shall make an announcement and explain the reasons at least two working days before the on-site meeting. If the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed expressly require the Company to require a lawyer to witness and provide legal advice when convening a shareholders' meeting, the Company will retain a lawyer to issue a legal opinion and make an announcement on the following issues when convening a shareholders' meeting:

(I) whether the convening of the meeting and the procedures for convening the meeting are in compliance with laws, administrative regulations and the Articles of Association;

(II) whether the qualifications of the persons attending the meeting and the qualifications of the convener are legal and valid;

(III) whether the voting procedures and voting results of the meeting are legal and valid;

(IV) providing legal opinions on other relevant issues as required by the Company.

Convening of Shareholders' Meeting

The board of directors shall convene the shareholders' meeting within the prescribed time limit.

Independent directors shall, upon approval by a majority of all independent directors, have the right to propose to the board of directors to convene an extraordinary shareholders' meeting. In respect of the proposal made by the independent directors to convene an extraordinary shareholders' meeting, the board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such extraordinary shareholders' meeting within ten days after receipt of the proposal. If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the board of directors. If the board of directors does not agree to convene such meeting, an explanation and an announcement shall be made.

The audit committee shall propose to the board of directors in writing to convene an extraordinary shareholders' meeting. The board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such meeting within ten days after receipt of the proposal.

If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be issued within 5 days after the date of the resolution of the board of directors and any changes to the original proposal contained in the notice shall be subject to the approval of the audit committee.

If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days after receipt of the proposal, the board of directors shall be deemed to be unable to or have failed to perform its duty to convene the shareholders' meeting, and the audit committee shall have the right to convene and preside over such meeting on its own.

Shareholders individually or collectively holding more than 10% of the Company's shares (including shares with restored voting rights such as preferred shares) request the board of directors to convene an extraordinary shareholders' meeting, and shall submit the request to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide written feedback on whether it agrees or disagrees with convening an extraordinary shareholders' meeting within 10 days after receiving the request.

If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening a shareholders' meeting shall be issued within 5 days after the date of the resolution of the board of directors and any changes to the original request contained in the notice shall be subject to the approval of the relevant shareholders.

If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days after receiving the request, Shareholders individually or collectively holding more than 10% of the Company's shares shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting and shall submit a written request to the audit committee to make the request.

If the audit committee agrees to convene an extraordinary shareholders' meeting, a notice for convening a shareholders' meeting shall be issued within 5 days of receiving the request and any changes to the original proposal contained in the notice shall be subject to the approval of the relevant shareholders. If the audit committee fails to issue a notice of a shareholders' meeting within the prescribed period, it shall be deemed that the audit committee would not convene and preside over the shareholders' meeting. Shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over the meeting on their own. If the audit committee or shareholders decide to convene a shareholders' meeting on their own, they must notify the board of directors in writing. Before the resolution of the shareholders' meeting is made, the shareholding ratio of the convening shareholders shall not be less than 10%. The board of directors and the secretary to the board of directors will cooperate with respect to matters relating to the shareholders' meeting convened by the audit committee or the shareholders themselves. The board of directors will provide the register of members as of the date of the shareholding record date. For a shareholders' meeting convened by the audit committee or shareholders themselves, the necessary expenses for the meeting shall be borne by the Company.

Proposals and Notices of Shareholders' Meeting

The content of the proposal should fall within the scope of the authority of a shareholders' meeting, addressing clear issues with specific resolutions, and conforming to the relevant provisions of laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company convenes a shareholders' meeting, the board of directors, audit committee and shareholders individually or jointly holding more than 1% of the shares of the Company have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the shares of the Company may put forward temporary proposals and submit them in writing to the convener 10 days before the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days after receiving the proposal, and submit the same to the shareholders' meeting for consideration, except that the temporary proposal violates laws, administrative regulations or the provisions of the Articles of Association, or falls outside the scope of authority of the shareholders' meeting.

Save as specified in the preceding paragraph, the convener shall not change the proposal(s) set out in the notice of the shareholders' meeting or add any new proposals after the said notice is served.

No vote shall be taken and no resolution shall be passed at a shareholders' meeting on any proposal which is not set out in the notice of the shareholders' meeting or which does not comply with the provisions of the Articles of Association.

The convener shall notify shareholders 20 days before the convening of an annual shareholders' meeting, and shareholders will be notified 15 days before the convening of an extraordinary shareholders' meeting. The notice of shareholders' meeting shall be sent to shareholders in manners in accordance with laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When calculating the starting period, the Company should not include the date of the meeting.

Upon issuance of the notice of the shareholders' meeting, the shareholders' meeting shall neither be delayed nor canceled without a proper reason, and the proposals listed in such notice shall not be revoked. In the case of any postponement or cancellation of the meeting, the convener shall issue a notice stating the reasons therefor at least 2 business days prior to the date originally scheduled for convening the meeting. Where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the procedures for adjournment or cancellation of a shareholders' meeting, such provisions shall apply to the extent that they do not contravene the regulatory requirements of the territory.

Holding of Shareholders' Meeting

All shareholders recorded in the register of members as at the shareholding record date or their proxies shall have the right to attend and speak at the shareholders' meeting and exercise their voting rights in accordance with the relevant provisions of laws and regulations and the Articles of Association. Shareholders may entrust a proxy to attend on their behalf and exercise voting rights within the authorized scope.

A shareholders' meeting is chaired by the chairman of the board of directors. When the chairman of the board of directors is unable or fails to perform his/her duties, a director jointly elected by more than half of the directors shall preside over the meeting. A shareholders' meeting convened by the audit committee shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable or fails to perform his/her duties, an audit committee member jointly elected by more than half of the audit committee members shall preside over the meeting. A shareholders' meeting convened by the shareholders themselves shall be presided over by themselves or a representative elected by the convener. When convening a shareholders' meeting, if the chairman of the meeting violates the rules of procedure and makes it impossible to continue, with the consent of shareholders holding more than half of the vote rights at the shareholders' meeting, the shareholders' meeting may elect one person to serve as the chairman of the meeting and the meeting shall continue.

The Company shall formulate the rules of procedure for the shareholders' meeting, which stipulate in detail the convening, holding and voting procedures of the shareholders' meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing thereof, as well as the principle of authorization of the shareholders' meeting to the board of directors and the content of authorization shall be clear and specific. The rules of procedure for the shareholders' meeting shall be prepared by the board of directors and approved by a shareholders' meeting.

Voting and Resolutions of Shareholders' Meeting

The resolutions of a shareholders' meeting are classified into ordinary resolutions and special resolutions. Ordinary resolutions of the shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders (including proxies) present at the meeting. Special resolutions of the shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting.

The following matters shall be resolved by way of ordinary resolution of the shareholders' meeting:

(I) work reports of the board of directors;

(II) profit distribution proposals and proposals for making up losses formulated by the board of directors;

(III) appointment, dismissal and remuneration of the members of the board of directors and the method of payment of the remuneration;

(IV) appointment, dismissal, or non-renewal of the accounting firm and its remuneration;

(V) annual report of the Company;

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

The following matters shall be resolved by way of special resolution of the shareholders' meeting:

(I) increase or reduction of the Company's registered capital;

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

(III) amendment to the Articles of Association;

(IV) purchase and disposal of material assets by the Company within one year, or the amount of guarantee provided to others exceeding 30% of the latest audited total assets of the Company;

(V) equity incentive plan;

(VI) other matters required by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, and matters which, according to an ordinary resolution of the shareholders' meeting, may have a significant impact on the Company and shall be adopted by way of a special resolution.

Resolutions on related (connected) transactions at a shareholders' meeting shall be deemed valid only if approved by a majority of the voting rights held by non-related (non-connected) shareholders attending the shareholders' meeting. If the related (connected) transaction concerns a matter requiring a special resolution under the Articles of Association, the resolution shall be approved by at least two-thirds of the voting rights held by non-related (non-connected) shareholders present at the meeting.

The list of candidates for directors shall be submitted to the shareholders' meeting in the form of a proposal for voting.

The cumulative voting system shall be adopted at the shareholders' meeting for the election of directors under any of the following circumstances:

(I) the Company elects two or more independent directors;

(II) the Company elects two or more directors during the period when a single shareholder and the persons acting in concert with him/her are interested in 30% or more of the shares in the Company.

Where directors are elected through the cumulative voting system at the shareholders' meeting, independent directors and other directors shall vote separately, and the elected directors shall be determined in accordance with the number of directors to be elected and in the descending order of the number of votes obtained. Where the cumulative voting system is not adopted for the election of directors, each candidate for director shall be nominated by way of a separate proposal. The cumulative voting system as mentioned means that when directors are elected at the shareholders' meeting, each share shall have the same number of voting rights as the number of directors to be elected, and the voting rights held by shareholders may be used collectively.

Except for the cumulative voting system, all proposals will be voted separately at the shareholders' meeting. If there are different proposals on the same matter, they will be voted in the order in which the proposals were submitted. Unless the shareholders' meeting is adjourned or no resolution is passed due to special reasons such as force majeure, the shareholders' meeting will not set aside or refrain from voting on the proposals.

When a proposal is considered at a shareholders' meeting, no amendments shall be made thereto, otherwise, the relevant amendments thereto shall be regarded as a new proposal and cannot be voted at that shareholders' meeting.

DIRECTORS AND THE BOARD OF DIRECTORS

General Provisions of Directors

Directors shall be natural persons. None of the following persons may serve as a director of the Company:

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

(II) persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in case of a suspended sentence, not more than two years have elapsed since the date of expiration of the probationary period;

(III) persons who acted as directors, or factory managers or general managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation;

(IV) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and was ordered to close down, and who were personally liable, where less than three years have elapsed since the date of the revocation of business license or the date of being ordered to close of such company or enterprise;

(V) persons who have been listed by the people's court as defaulter because they have incurred debts of a large amount that have not been settled by the due date;

(VI) persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;

(VII) persons who have been determined by the securities regulatory rules of the place where the Company's shares are listed as unfit to serve as a director or senior management of listed companies, with the term yet to be expired;

(VIII) other contents prescribed by laws, administrative regulations or departmental rules.

Directors shall be elected or replaced at the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their terms of office. The term of office of a director is 3 years. Upon expiry of the term of office, he or she may be re-elected and re-appointed. The term of office of a director commenced from the date of taking office, until the current term of office of the board of directors ends. If a director is not re-elected in a timely manner upon the expiration of the term of office, the original director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until the re-elected director takes office. A director may be concurrently held by senior management, but the number of directors concurrently serving as senior management and directors who are employees' representatives shall not exceed 1/2 of the total number of directors of the Company.

The board of directors shall include one staff representative of the Company. The staff representative on the board of directors shall be elected by staffs of the Company at the staff representative meeting or the staff meeting or by other forms of democratic election, without the need to submit it to the shareholders' meeting for consideration.

No directors shall act, in their personal capacity, on behalf of the Company or the board of directors if not provided in the Articles of Association or appropriately authorised by the board of directors. A director shall, when acting in his/her personal capacity, state his/her standing and identity in advance whenever a third party may reasonably believe that the said director is acting on behalf of the Company or the board of directors.

Board of Directors

The Company shall have a board of directors, which is accountable to the shareholders' meeting. The board of directors shall consist of 8 directors. Among them, more than 1/3, and at least 3 or more of them shall be independent directors and one of them shall be the chairman. The chairman shall be elected by more than half of directors of the board of directors.

The board of directors exercises the following functions and powers:

(I) to convene shareholders' meetings and presenting reports thereto;

(II) to implement resolutions adopted by the shareholders' meeting;

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

(IV) to formulate the profit distribution plan and loss recovery plan of the Company;

(V) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;

(VI) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;

(VII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, external donations etc. of the Company within the authority required by the Articles of Association and the shareholders' meeting;

(VIII) to determinate the setup of the Company's internal management structure;

(IX) to determine the appointment or removal of the Company's general manager, secretary to the board of directors and other senior management, and to determine their remuneration, rewards and punishments; based on the nominations of the general manager, to determine the appointment or removal of deputy general manager, the chief financial officer (financial controller) and other senior management and to determine their remuneration, rewards and punishments;

(X) to formulate and revise the basic management policies of the Company;

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

(XII) to manage the information disclosure of the Company in accordance with laws and regulations, the Listing Rules and internal rules of the Company;

(XIII) to request the shareholders' meeting to engage or replace the accounting firm that provides audit for the Company;

(XIV) to debrief the work report of the general manager of the Company and check the works of the general manager;

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

Matters beyond the scope authorized by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The board of directors shall formulate the rules of procedures for the board of directors, so as to ensure that the board of directors duly implements the resolutions of the shareholders' meeting, and works more efficiently to make reasonable decisions. The board of directors shall determine the scope of authorization in respect of outbound investment, acquisition and disposal of assets, asset mortgages, the provision of security for third parties, consigned financial management, connected transactions and external donations, and set up strict inspection and decision-making procedures; for important investment projects, the board of directors shall organize the relevant experts and professionals for review and report to the shareholders' meeting for approval.

The chairman shall exercise the following functions and powers:

(I) to preside over the shareholders' meetings and to convene and preside over board meetings;

(II) to supervise and check on the implementation of resolutions passed at the board meeting;

(III) other functions and powers as set forth in the laws, regulations or the Articles of Association and conferred by the board of directors.

If the chairman is unable or fails to perform his/her duties, the board of directors shall elect, by a majority vote, a director to assume the chairman's responsibilities. The board of directors shall hold no fewer than four meetings per year. These meetings shall be convened by the chairman, who shall notify all directors in writing at least 14 days prior to the meeting.

A board meeting may be held only when more than half of the directors are present. Resolutions of the board of directors shall be passed by a majority of all directors. Each director shall have one vote in board resolutions.

Any director who is related to an enterprise or an individual that is involved in matters to be resolved on by the board meeting shall promptly report in writing to the board of directors. Such director shall not exercise his/her voting right on the resolution on his/her own behalf or on behalf of another director. The board meeting can be held with the attendance of a majority of non-related directors, and the resolutions made at the board meeting shall be passed by a majority of the non-related directors. Where the number of non-related directors present at the board meeting is less than three, the matter shall be submitted to the shareholders' meeting for review.

Board meetings shall be attended in person by the directors. If a director is unable to attend, he or she may authorize another director in writing to attend on his/her behalf. Independent directors shall only authorize other independent directors to attend. If a director neither attends a board meeting nor appoints a proxy to attend on his/her behalf, it shall be deemed that the director has waived his/her voting rights for that meeting.

Independent Directors

The Company shall have independent directors. Unless otherwise provided in this section, the provisions of the Articles of Association regarding the qualifications and obligations of directors shall apply to independent directors. Independent directors shall, in accordance with laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, diligently perform their duties, and play a role within the board of directors in participating in decision-making, providing supervision and checks and balances, and offering professional consultation, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Relevant matters such as the conditions for office, nomination and election procedures, and powers and functions of independent directors shall be implemented in accordance with the relevant provisions of laws, administrative regulations, the CSRC and the Hong Kong Stock Exchange.

Special Committees of the Board of Directors

The board of directors of the Company shall establish an audit committee, which shall exercise the powers and functions of the board of supervisors as stipulated in the Company Law. The audit committee shall comprise three members, who shall be directors not holding senior management positions within the Company, of whom at least two shall be independent directors. The convener shall be an independent director with professional accounting qualifications. If the securities regulatory rules of the place where the Company's shares are listed stipulate otherwise, such requirements shall prevail.

The audit committee is responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control, and the following matters shall be submitted to the board of directors for deliberation after being approved by more than half of all members of the audit committee:

(I) to disclose financial information in financial statements and periodic reports, and internal control evaluation reports;

(II) to appoint or dismiss the accounting firm engaged to undertake the audit work of the listed company;

(III) to appoint or dismiss the listed company's financial controller;

(IV) to make changes to accounting policies or accounting estimates, or correct material accounting errors, for reasons other than changes in accounting standards;

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

The audit committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the audit committee requires the attendance of more than two-thirds of its members to be held. Resolutions made by the audit committee shall be passed by more than half of its members. Voting on the audit committee resolutions shall be on a one-person, one-vote basis.

The board of directors of the Company shall establish a nomination committee, a remuneration and assessment committee and other special committees, which shall perform their duties in accordance with these Articles of Association and the authorization of the board of directors. Proposals of the special committees shall be submitted to the board of directors for deliberation and decision. The working rules of the special committees shall be formulated by the board of directors. The composition of special committee shall comply with the relevant requirements stipulated in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or relevant regulatory authorities.

The nomination committee is responsible for formulating the selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

(I) to nominate or appoint or remove directors;

(II) to appoint or dismiss senior management;

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

The remuneration committee is responsible for formulating the performance appraisal standards for directors and senior management and conducting appraisals, formulating and reviewing remuneration policies and plans such as the remuneration decision-making mechanism, decision-making process, payment and claw-back arrangements for directors and senior management, and making recommendations to the board of directors on the following matters:

(I) remuneration of directors and senior management;

(II) to formulate or amend equity incentive plans or employee stock ownership plans, and the conditions for incentive participants to be granted with or exercise interests;

(III) arrangements for directors and senior management to participate in shareholding plans in subsidiaries proposed to be spun off;

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

SENIOR MANAGEMENT

The Company shall have a general manager as appointed or dismissed by the board of directors. The Company has certain deputy general managers, one chief financial officer (financial controller) and one secretary to the board of directors, who are appointed or dismissed by the board of directors.

The general manager shall be appointed for a term of three years and eligible for reappointment for a second consecutive term. The general manager is accountable to the board of directors and exercises the following powers:

(I) to preside over the Company's production, operation, and management work, organize the implementation of board resolutions, and report work to the board of directors;

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

(III) to formulate a plan for the establishment of the Company's internal management organization;

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

(V) to formulate specific regulations of the Company;

(VI) to propose to the board of directors to appoint or dismiss the Company's deputy general manager, chief financial officer (financial controller), secretary to the board of directors and other senior management;

(VII) to decide to appoint or dismiss management personnel other than those who shall be appointed or dismissed by the board of directors;

(VIII) to consider and approve general connected transactions other than those that need to be submitted to the board of directors or the shareholders' meeting for approval according to the Articles of Association;

(IX) to consider and approve other major transactions, external investments, external guarantees and other matters other than those that need to be submitted to the board of directors or the shareholders' meeting for approval according to the Articles of Association;

(X) other powers conferred by the Articles of Association, the securities regulatory rules of the place where the Company's shares are listed or the board of directors.

The Company shall have a secretary to the board of directors, who shall be accountable to the board of directors. The secretary to the board of directors is responsible for preparation of the shareholders' meeting and the board meeting, keeping the documents and the management of information of the shareholders of the Company and handling the disclosure of information.

FINANCIAL ACCOUNTING SYSTEM AND PROFITS DISTRIBUTION

Financial Accounting System

The shareholders' meeting shall review and approve the Company's annual financial accounting report within six months after the end of each fiscal year. The financial accounting report shall be prepared in accordance with applicable laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

When distributing post-tax profits for a given year, the Company shall allocate 10% of such profits to the statutory reserves. If the cumulative statutory reserves reach 50% or more of the Company's registered capital, no further allocation is required. If the statutory reserves are insufficient to cover losses from previous years, the Company shall first use the current year's profits to offset such losses before making any allocation to the statutory reserves. Following the allocation to the statutory reserves, the Company may, subject to approval by the shareholders' meeting, set aside a discretionary reserve from post-tax profits. After covering losses and setting aside the statutory and discretionary reserves, the remaining post-tax profits shall be distributed among shareholders in proportion to their respective shareholdings, unless otherwise provided in the Articles of Association. Shares held by the Company itself shall not participate in profit distribution.

Once the shareholders' meeting has approved a profit distribution plan, or the board of directors has formulated a specific plan based on the conditions and upper limit for interim dividends for the following year as approved by the annual shareholders' meeting, the distribution of dividends (or shares) shall be completed within the period as required by the regulatory rules of the listing place.

The Company's reserve may be used to cover losses, expand production and operations, or convert into registered capital. When using reserves to cover losses, discretionary reserves and statutory reserves shall be used first. If these are insufficient, capital reserve may be used in accordance with applicable regulations. When the statutory reserve is converted into registered capital, the remaining balance of the reserve fund shall not be less than 25% of the Company's registered capital prior to the conversion.

Internal Audit

The Company shall implement an internal audit system, specifying the leadership structure, responsibilities and authorities, staffing, funding assurance, utilization of audit results and accountability of internal audit. The Company's internal audit system shall be implemented after approval by the board of directors. The Company's internal audit function shall conduct supervision and inspection of the Company's business activities, risk management, internal controls, financial information and other relevant matters. The internal audit function shall be accountable to the board of directors. During its supervision and inspection of the Company's business activities, risk management, internal controls and financial information, the internal audit function shall accept the supervision and guidance of the audit committee. The internal audit function shall immediately report directly to the audit committee upon discovering any material issues or related clues.

Appointment of Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law to conduct audits of financial statements, verify net assets, and provide other related consulting services. The term of engagement shall be one year and may be renewed. The appointment of an accounting firm shall be subject to approval by the shareholders' meeting. The board of directors shall not appoint an accounting firm prior to such approval.

The Company shall ensure that the accounting firm it engages is provided with true and complete accounting vouchers, accounting books, financial and accounting reports and other relevant accounting information. The Company shall not refuse to provide, conceal or falsify such information. The audit fees of the accounting firm shall be determined by the shareholders' meeting.

If the Company intends to dismiss or not renew the engagement of an accounting firm, it shall provide written notice to the accounting firm at least 30 days in advance. When a vote is taken on the dismissal at the shareholders' meeting, the accounting firm shall be given the opportunity to express its views. If the accounting firm resigns, it shall submit a statement to the shareholders' meeting explaining whether there are any improper circumstances on the part of the Company.

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

Merger, Division, Capital Increase and Decrease

When a merger is proposed, the parties involved shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date the merger resolution is adopted, and publish an announcement via the media as approved to announce by the Company's competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days of receiving the notice, or within 45 days from the date of the announcement (if no notice is received), request the Company to settle outstanding debts or provide appropriate guarantees. Upon a merger, the surviving company or the newly established company shall assume all debts and liabilities of the merging parties.

In case of a division, the Company's assets shall be divided. When the Company undergoes a division, it shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days of the resolution on the division and shall publish an announcement via the media as approved to announce by the Company's competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days of the resolution. Debts incurred before company division shall be jointly and severally assumed by the companies after division. However, this shall not apply where the company and creditors have reached written agreements regarding debt settlement before the division.

Where the Company needs to reduce its registered capital, it must prepare a balance sheet and an inventory of assets. The Company shall notify creditors within 10 days from the date of making the resolution on reduction of registered capital at the shareholders' meeting and make an announcement via the media as approved to announce by the Company's competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days from receipt of the notice or, where no notice is received, within 45 days from the date of the announcement, require the Company to repay debts or provide corresponding guarantees.

Dissolution and Liquidation

The Company shall be dissolved if:

(I) term of business specified in the Articles of Association expires or other reasons for dissolution as stipulated in the Articles of Association arise;

(II) a resolution for dissolution is passed at a shareholders' meeting;

(III) a dissolution is necessary due to a merger or division of the Company;

(IV) its business license is revoked, or it is ordered to close or dissolved according to the laws;

(V) there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of the shareholders and there is no other way to resolve, shareholders who hold over ten percent of the voting rights of the Company can make a petition to a people's court to dissolve the Company.

The Company may continue to exist by amending the Articles of Association or by a resolution of the shareholders' meeting in the event of any of the circumstances as set forth in items (I) and (II) of Article 177, and its assets have not yet been distributed to its shareholders. The amendment to the Articles of Association made according to the requirements or the resolution made at the shareholders' meeting shall be passed by two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

In the case of dissolution of the Company under the above items (I), (II), (IV) or (V), it shall be liquidated. The directors are the Company's liquidators and shall establish a liquidation committee to carry out the liquidation within 15 days from the date of occurrence of events giving rise to dissolution. The liquidation committee shall be composed of directors, except where otherwise provided by the Articles of Association or resolved by the shareholders' meeting to appoint others.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

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

(II) to notify creditors by notice or public notices;

(III) to deal with any outstanding business related to the liquidation;

(IV) to pay outstanding tax together with any tax arising during the liquidation process;

(V) to settle claims and liabilities;

(VI) to allocate the Company's remaining assets after its debts have been paid off;

(VII) to represent the Company in any civil procedures.

The liquidation committee shall notify the Company's creditors within 10 days of its establishment, and publish an announcement via the media as approved to announce by the Company's competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall lodge their claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if they have not received any notification. Creditors shall report all matters relevant to their claimed creditor's rights and furnish relevant evidence. The liquidation committee shall register such creditors' rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

Upon disposal of the Company's property and preparation of the required balance sheet and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders' meeting or a people's court for endorsement. The remaining part of the Company's properties, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and debts of the Company, shall be distributed by the Company to shareholders in proportion to shares held by them. The Company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The Company's property shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

Upon liquidation of the Company's property and preparation of the required balance sheet and inventory of assets, if the liquidation committee becomes aware that the Company does not have sufficient assets to repay its liabilities, it must apply to a people's court for a declaration of bankruptcy in accordance with the laws. Following acceptance of such declaration by the people's court, the liquidation committee shall hand over the administration of the liquidation to the bankruptcy administrator designated by the people's court. Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or a people's court for confirmation of its completion, and it shall be submitted to the company registration authority to cancel the Company's registration.

AMENDMENTS OF ARTICLES OF ASSOCIATION

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

(I) after the amendment of the Company Law or relevant laws and administrative regulations or the securities regulatory rules of the stock exchange where the Company's shares are listed and the matters stipulated in the Articles of Association conflict with the provisions of the amended laws and administrative regulations;

(II) there has been a change to the Company, resulting in inconsistency with the content in the Articles of Association;

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

Where matters of Articles of Association amendments approved by resolutions of the shareholders' meeting require approval by competent authorities, they shall be submitted to the competent authorities for approval; where they involve company registration matters, change of registration shall be processed in accordance with law.