This Appendix mainly provides [**REDACTED**] with an overview of the Articles of Association. As the following information is in summary form, it does not contain all the information that may be important to [**REDACTED**].

SHARES

Issue of Shares

The shares of the Company shall take the form of share certificates.

The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights. Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares that it/he/she subscribes for. The domestic unlisted shares and H shares issued by the Company enjoy the same rights in respect of any distribution made by way of dividends (including cash and distribution in specie) or in any other form.

All shares issued by the Company shall be denominated in RMB, with a par value of RMB1 each.

The overseas listed shares of the Company listed on the Hong Kong Stock Exchange are referred to as "H Shares". The shares issued by the Company but not listed on any domestic or overseas stock exchanges are referred to as unlisted shares. Subject to filing with the securities regulatory authority of the State Council, the unlisted shares of the Company may be converted into overseas listed shares and listed and traded on an overseas stock exchange. The listing and trading of such shares on an overseas stock exchange shall also comply with the regulatory procedures, regulations and requirements of such overseas stock exchange. No voting at any general meeting is required for the conversion of unlisted shares into overseas listed shares and the listing and trading of such shares on an overseas stock exchange.

Among the shares issued by the Company, the unlisted shares shall be centrally registered and deposited with a domestic securities registration and clearing institution, while the registration and settlement arrangements of the overseas listed shares shall be subject to the regulations of the place where the shares of the Company are listed.

Increase, Decrease and Repurchase of Shares

In light of the Company's operational and developmental needs, the Company may increase its capital in accordance with applicable laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the shares of the Company are listed and the provisions of relevant regulatory authorities, and subject to a separate resolution of the general meeting, by any of the following methods:

(1) public offering of shares subject to approval by the relevant authorities;

(2) non-public issue of shares;

(3) distribution of bonus shares to existing shareholders;

(4) capitalization of reserve funds;

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

The Company may reduce its registered capital. The reduction of registered capital of the Company shall be carried out in accordance with the procedures stipulated in the Company Law, the Hong Kong Listing Rules, the securities regulatory rules of the place where the shares of the Company are listed, the relevant provisions of other laws, administrative regulations and normative documents, and these Articles of Association.

The Company shall not repurchase its own shares. However, subject to compliance with laws, regulations, the provisions of the securities regulatory authorities of the place where the shares of the Company are listed, the Hong Kong Listing Rules and these Articles of Association, the following circumstances shall be excepted:

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

(2) to merge with other companies that hold shares in the Company;

(3) to use the shares for employee shareholding schemes or as share incentives;

(4) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any general meetings on the merger or division of the Company;

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

(6) to safeguard corporate value and shareholders' equity as the Company deems necessary;

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

The repurchase of the Company's shares may be carried out by way of open centralized trading or other methods recognized by laws, administrative regulations, normative documents, the Hong Kong Listing Rules, and the CSRC (if required) and other securities regulatory authorities of the place where the shares of the Company are listed, and shall comply with the provisions of applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

Where the Company repurchases its shares under the circumstances set out in items (1) and (2) above, it shall be subject to a resolution of the general meeting; where the Company repurchases its shares under the circumstances set out in items (3), (5) and (6) above, it shall be subject to a resolution of a meeting of the board of directors at which more than two-thirds of the directors are present. After the repurchase of its shares, the Company shall perform its information disclosure obligations in accordance with the provisions of the Securities Law, the Securities and Futures Ordinance, the regulations of the stock exchange of the place where the shares of the Company are listed and other securities regulatory rules.

After the Company has repurchased its shares in accordance with the above provisions, the shares repurchased under the circumstance set out in item (1) shall be cancelled within 10 days from the date of repurchase; the shares repurchased under the circumstances set out in items (2) and (4) shall be transferred or cancelled within 6 months. The shares repurchased by the Company in accordance with items (3), (5) and (6) shall not exceed 10% of the total issued shares of the Company, and the repurchased shares shall be transferred or cancelled within 3 years.

Where relevant laws and regulations, normative documents and the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the relevant matters involved in the aforementioned share repurchase, such provisions shall prevail, provided that they do not contravene the Company Law, the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

Transfer of Shares

The shares of the Company may be transferred in accordance with the law. The transfer of H Shares listed in Hong Kong shall be registered with the local share registrar in Hong Kong appointed by the Company. All transfers of H Shares shall be effected by instruments of transfer in writing in an ordinary or usual form or in any other form acceptable to the board of directors (including the standard transfer form or form of transfer specified by the Hong Kong Stock Exchange from time to time). If the transferor or transferee of the Company's shares is a recognized clearing house (the "**Recognized Clearing House**") as defined in the relevant ordinances in force from time to time under Hong Kong laws, or its nominee, the written instrument of transfer may be signed by hand or in machine-imprinted format. All instruments of transfer must be kept at the legal address of the Company or such other place 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 prior to the public offering of shares by the Company 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. The directors and senior management of the Company shall declare to the Company the shares of the Company held by them and any changes therein. During their term of office determined upon assumption of office, the shares transferred by them each year shall not exceed 25% of the total number of the Company's shares held by them, and the shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within six months after leaving office. If the shares are pledged during the restricted period for transfer stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge rights during such restricted period for transfer. Where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the transfer restrictions on overseas listed shares, such provisions shall prevail.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall establish a register of members in accordance with the Company Law, the securities regulatory rules of the place where the shares of the Company are listed, other relevant provisions and these Articles of Association. The register of members shall be sufficient evidence of the shareholders' holding of the Company's shares.

The Company shall maintain a complete register of members. The register of members shall comprise the following parts: (1) a register of members kept at the Company's domicile, other than those provided under items (2) and (3) of this paragraph; (2) a register of H Share shareholders of the Company kept in the place where the overseas stock exchange on which the shares are listed is located; and (3) a register of members kept in such other places as the board of directors may decide necessary for the listing of the Company's shares. Different parts of the register of members shall not overlap. No transfer of any shares registered in one part of the register of members shall, during the continuance of that registration, be registered in any other part of the register of members. The alteration or rectification of any part of the register of members shall be carried out in accordance with the laws of the place where such part of the register of members is maintained. The Company shall keep a copy of the register of H Share shareholders at its domicile; the appointed overseas agent shall always ensure the consistency between the original and the copy of the register of H Share shareholders. The register of members kept in Hong Kong shall be available for inspection by shareholders, but the Company may be permitted to suspend the registration of shareholders on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). In the event of any inconsistency between the original and the copy of the register of H Share shareholders, the original shall prevail.

When the Company convenes a general meeting, distributes dividends, goes into liquidation or engages in other acts requiring the confirmation of the identity of shareholders, the board of directors or the convener of the general meeting shall determine a record date for shareholding. The shareholders whose names appear on the register of members after the close of trading on the record date shall be the shareholders entitled to the relevant rights and interests.

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of profit distribution in proportion to their shareholdings;

(2) to request, convene, preside over, attend or appoint a proxy to attend general meetings in accordance with the law, and to exercise the corresponding rights to speak and vote (except where a shareholder is required to abstain from voting on relevant matters according to the provisions of the securities regulatory rules of the place where the shares of the Company are listed);

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

(4) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, these Articles of Association and other relevant provisions;

(5) to inspect these Articles of Association, the register of members, stubs of corporate bonds, minutes of general meetings, resolutions of board meetings, and financial accounting reports; shareholders individually or jointly holding 3% or more of the Company's shares for 180 consecutive days or more may inspect the accounting books and accounting vouchers of the Company;

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

(7) to require the Company to repurchase their shares in the event of their objection to resolutions of the general meeting concerning merger or division of the Company;

(8) other rights stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

Where a shareholder requests to inspect or copy relevant materials of the Company, such shareholder shall comply with the provisions of laws and administrative regulations such as the Company Law and the Hong Kong Listing Rules. Where a shareholder requests to inspect the accounting books and accounting vouchers of the Company, such shareholder shall make a written request to the Company stating the purpose. If the Company has reasonable grounds to believe that the shareholder's inspection of the accounting books and accounting vouchers is for an improper purpose and may impair the legitimate interests of the Company, the Company may refuse to provide such inspection, and shall give a written reply to the shareholder stating the reasons within 15 days from the date on which the written request is made by the shareholder.

If the contents of a resolution of the general meeting or the board of directors of the Company violate laws or administrative regulations, the shareholders shall have the right to request the people's court to declare it invalid.

If the convening procedures or voting methods of a general meeting or a board meeting violate laws, administrative regulations or these Articles of Association, or the contents of a resolution violate these Articles of Association, the shareholders shall have the right to request the people's court to revoke it within 60 days from the date the resolution is made. However, this shall not apply if the convening procedures or voting methods of the general meeting or the board meeting have only minor flaws that do not have a material impact on the resolution.

The shareholders of the Company shall assume the following obligations:

(1) to comply with laws, administrative regulations and these Articles of Association;

(2) to pay capital contribution in accordance with the shares subscribed for and the method of subscription;

(3) not to withdraw their shares except in circumstances stipulated by laws and regulations;

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

(5) other obligations imposed by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Where a shareholder of the Company abuses its shareholder rights and causes loss to the Company or other shareholders, it shall be liable for compensation in accordance with the law.

Where a shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts, thereby seriously damaging the interests of the creditors of the Company, it shall bear joint and several liability for the debts of the Company.

Where a shareholder uses two or more companies under its control to carry out the acts specified in the preceding paragraph, each company shall bear joint and several liability for the debts of any of such companies.

Any shareholder holding 5% or more of the voting shares of the Company who pledges its shares shall submit a written report to the Company on the day such fact occurs.

The controlling shareholder (if any) and the actual controller (if any) of the Company shall not use their connected relationships to damage the interests of the Company. In the event of any violation of such provisions which causes loss to the Company, they shall be liable for compensation. The controlling shareholder (if any) and the actual controller (if any) of the Company owe fiduciary duties to the Company and other shareholders. The controlling shareholder (if any) shall strictly exercise the rights of a contributor in accordance with the law. The controlling shareholder (if any) shall not use methods such as profit distribution, asset restructuring, external investment, fund misappropriation and loan guarantee to damage the lawful rights and interests of the Company and other shareholders, nor shall it use its controlling position to damage the interests of the Company and other shareholders.

General Provisions of the General Meeting

The general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

(1) to elect and replace directors who are not employee representatives, and to decide on matters concerning the remuneration of the relevant directors;

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

(3) to consider and approve the Company's profit distribution plans and loss recovery plans;

(4) to resolve on the increase or reduction of the registered capital of the Company;

(5) to resolve on the issue or repurchase of corporate bonds, any equity-linked interests or other debt financing instruments of the Company;

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

(7) to amend these Articles of Association;

(8) to resolve on the engagement, dismissal or non-reappointment of accounting firms of the Company, and to determine their remuneration;

(9) to consider and approve the guarantee matters stipulated in Article 42 of these Articles of Association;

(10) to consider matters regarding the purchase or disposal of material assets by the Company within one year exceeding 30% of the latest audited total assets of the Company;

(11) to consider and approve matters regarding the change in the use of raised funds;

(12) to consider equity incentive schemes and employee shareholding schemes;

(13) to consider the proposals of shareholders individually or jointly holding 1% or more of the voting shares of the Company;

(14) to consider and approve transactions between the Company and connected persons that meet the criteria stipulated in the Hong Kong Listing Rules requiring approval by the general meeting;

(15) to consider other matters that shall be determined by the general meeting as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

The aforementioned functions and powers of the general meeting shall not be delegated to the board of directors or other bodies and individuals to exercise on its behalf by way of authorization; however, the general meeting of the Company may authorize the board of directors to resolve on the issue of corporate bonds.

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

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

(2) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;

(3) guarantees provided by the Company within one year with an amount exceeding 30% of the Company's latest audited total assets;

(4) guarantees provided for guaranteed parties with an asset-liability ratio exceeding 70%;

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

(6) guarantees provided to shareholders, actual controllers and their connected persons;

(7) other external guarantee matters that shall be considered by the general meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Unless otherwise stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed, the external guarantee consideration procedures stipulated in the preceding paragraph shall not apply to guarantees provided by the Company for its subsidiaries, by the subsidiaries for the Company, and among the subsidiaries.

The Company shall convene an extraordinary general meeting within 2 months from the date of occurrence of any of the following circumstances:

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

(2) the unrecovered losses of the Company amount to one-third of the total amount of its paid-up share capital;

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

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

(5) when proposed by the audit committee;

(6) other circumstances stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

If the extraordinary general meeting is convened in response to the provisions of the securities regulatory rules of the place where the shares of the Company are listed, the actual convening date of the extraordinary general meeting may be adjusted according to the approval progress of the stock exchange of the place where the shares of the Company are listed.

Convening of the General Meeting

General meetings shall be convened by the board of directors in accordance with the law. With the consent of more than half of all independent non-executive directors, the independent non-executive directors have the right to propose to the board of directors to convene an extraordinary general meeting. In response to the proposal of the independent non-executive directors to convene an extraordinary general meeting, the board of directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association, give a written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days after receiving the proposal. If the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the resolution of the board of directors is made; if the board of directors disagrees to convene the extraordinary general meeting, it shall explain the reasons.

The audit committee has the right to propose to the board of directors to convene an extraordinary general meeting, and shall submit its proposal to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association, give a written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days after receiving the proposal. If the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the resolution of the board of directors is made. Any changes to the original proposal in the notice shall be subject to the consent of the audit committee. If the board of directors disagrees to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the proposal, it shall be deemed that the board of directors is unable to or fails to perform its duty of convening the general meeting, and the audit committee may convene and preside over the meeting on its own.

Shareholders individually or jointly holding 10% or more of the shares of the Company have the right to request the board of directors to convene an extraordinary general meeting, and shall submit their request to the board of directors in writing. Such written request shall state the topics of the meeting and provide complete proposals. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association, give a written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days after receiving the request. If the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the resolution of the board of directors is made. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. Where laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail. If the board of directors disagrees to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders individually or jointly holding 10% or more of the shares of the Company have the right to propose to the audit committee to convene an extraordinary general meeting, and shall submit their request to the audit committee in writing. The audit committee shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association, give a written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days after receiving the request. If the audit committee agrees to convene the extraordinary general meeting, it shall issue a notice convening the general meeting within 5 days after the resolution of the audit committee is made. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. If the audit committee disagrees to convene the extraordinary general meeting, or fails to give a written feedback within 10 days after receiving the request, shareholders individually or jointly holding 10% or more of the shares of the Company for 90 consecutive days or more may convene and preside over the meeting on their own.

Proposals and Notices of General Meetings

When the Company convenes a general meeting, the board of directors, the audit committee, and shareholder(s) individually or jointly holding 1% or more of the shares of the Company shall have the right to submit proposals to the Company. Subject to the provisions of the Hong Kong Listing Rules, shareholder(s) individually or jointly holding 1% or more of the shares of the Company may submit ad hoc proposals in writing to the convener 10 days before the convening of the general meeting. The convener shall issue a supplemental notice of the general meeting within 2 days after receiving the proposal to announce the content of the ad hoc proposal, except where the ad hoc proposal fails to comply with the provisions of Article 52 of these Articles of Association. Regarding the publication of the supplemental notice of the general meeting, if the securities regulatory rules of the place where the shares of the Company are listed have special provisions, such provisions shall prevail, provided that they do not violate the Company Law and the Securities Law. If, according to the provisions of the securities regulatory rules of the place where the shares of the Company are listed, the general meeting needs to be postponed due to the publication of the supplemental notice of the general meeting, the convening of the general meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the shares of the Company are listed. Except for the circumstances stipulated in the preceding paragraph, laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed, the convener shall not amend the proposals already listed in the notice of the general meeting or add new proposals after issuing the notice of the general meeting. The general meeting shall not vote and make resolutions on proposals that are not listed in the notice of the general meeting or do not comply with these Articles of Association.

The convener shall notify all shareholders at least 21 days before the convening of an annual general meeting, and at least 15 days before the convening of an extraordinary general meeting. Where laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail. When calculating the starting period, the Company shall not include the date on which the meeting is convened.

The notice of a general meeting shall be made in writing and shall include the following contents:

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

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

(3) a prominent statement indicating that: all shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend the meeting and vote on their behalf, and that such shareholder proxy need not be a shareholder of the Company;

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

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

(6) the voting time and voting procedures for network or other voting methods (if any);

(7) the time and place for the delivery of the proxy form for voting at the meeting;

(8) other requirements stipulated by laws, regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Convening of General Meetings

All shareholders whose names appear on the register of members on the record date of shareholding, or their proxies, are entitled to attend the general meeting and exercise their right to speak and vote in accordance with relevant laws, regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association. A shareholder may attend the general meeting in person, or may appoint a proxy to attend, speak and vote on his/her behalf.

If an individual shareholder attends the meeting in person, he/she shall present his/her identity card or other valid documents or proof capable of establishing his/her identity, and shareholding proof; if a proxy is appointed to attend the meeting, the proxy shall also present his/her own valid identity document and the shareholder's power of attorney.

A corporate shareholder or other institutional shareholder shall be represented at the meeting by its legal representative or a proxy appointed by its legal representative (person in charge)/managing partner. If the legal representative (person in charge)/managing partner attends the meeting, he/she shall present his/her identity card and valid proof capable of proving his/her qualification as a legal representative; if a proxy is appointed to attend the meeting, the proxy shall present his/her identity card and the written power of attorney legally issued by the legal representative (person in charge)/managing partner of the corporate shareholder. This shall not apply where the shareholder is a Recognized Clearing House (or its nominee) as defined in the relevant ordinances enacted from time to time in Hong Kong.

If the shareholder is a Recognized Clearing House (or its nominee) as defined in the relevant ordinances enacted from time to time in Hong Kong, such shareholder may authorize one or more persons as it thinks fit to act as its proxy or representative at any general meeting (and/or creditors' meeting); however, 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, and the power of attorney or authorization document shall be signed by an authorized person of the Recognized Clearing House. The person(s) so authorized may attend the meeting on behalf of the Recognized Clearing House (or its nominee) (without presenting shareholding proof, notarized authorization and/or further evidence to prove their due authorization), speak at the meeting and exercise rights, as if such person(s) were an individual shareholder of the Company. These authorized persons shall enjoy statutory rights equivalent to those enjoyed by other shareholders, including the right to speak and vote.

The general meeting shall be presided over by the chairman of the board of directors. If the chairman of the board of directors is unable or fails to perform his/her duties, a director jointly recommended by more than half of the directors shall preside over the meeting. A general meeting convened by the audit committee on its own shall be presided over by the convener/chairman of the audit committee. If the convener/chairman of the audit committee is unable or fails to perform his/her duties, an audit committee member jointly recommended by more than half of the audit committee members shall preside over the meeting. A general meeting convened by the shareholders on their own shall be presided over by a representative recommended by the conveners. When a general meeting is convened, if the chairman of the meeting violates the rules of procedure such that the general meeting cannot proceed, the general meeting may, with the consent of shareholders holding more than half of the voting rights present at the general meeting in person, via network or by other means, recommend one person to act as the chairman of the meeting to continue the meeting.

Voting and Resolutions of the General Meeting

Resolutions of the general meeting are divided into ordinary resolutions and special resolutions. An ordinary resolution made by the general meeting shall be passed by more than half of the voting rights held by the shareholders (including their proxies) present at the general meeting. A special resolution made by the general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including their proxies) present at the general meeting.

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

(1) work report of the board of directors;

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

(3) appointment and removal of members of the board of directors (the removal of any director before the expiration of his/her term of office, provided that such removal does not affect any claim for damages raised by such director pursuant to any contract), the amount and method of payment of their remuneration;

(4) issue or repurchase of corporate bonds, any equity interests or other debt financing instruments;

(5) annual report of the Company;

(6) resolutions on the engagement, dismissal or non-reappointment of accounting firms, or the remuneration of accounting firms;

(7) other matters other than those required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association to be passed by a special resolution.

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

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

(2) division, spin-off, merger, dissolution, liquidation and change of corporate form of the Company;

(3) amendments to these Articles of Association;

(4) equity incentive plans;

(5) purchases or sales of material assets or provisions of guarantees by the Company within one year with an amount exceeding 30% of the latest audited total assets of the Company;

Other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association, as well as matters deemed by the general meeting by way of an ordinary resolution to have a material impact on the Company and require to be passed by a special resolution.

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

Before the general meeting considers matters relating to connected transactions, the Company shall determine the scope of connected shareholders in accordance with applicable laws, administrative regulations, departmental rules, normative documents and the Hong Kong Listing Rules. Connected shareholders or their authorized representatives may attend the general meeting, and may clarify their views to the attending shareholders in accordance with the procedures of the general meeting, but shall abstain from voting when a vote is taken. When the general meeting considers matters relating to connected transactions, connected shareholders shall proactively abstain from voting. If the connected shareholders fail to proactively abstain from voting, other shareholders attending the meeting have the right to request them to abstain from voting. After the connected shareholders abstain, the other shareholders shall vote according to the voting rights held by them, and pass corresponding resolutions in accordance with the provisions of these Articles of Association; the chairman of the meeting shall announce the number of shareholders and proxies physically present at the meeting excluding the connected shareholders, and the total number of voting shares held by them.

Resolutions made by the general meeting on matters relating to connected transactions shall be passed by more than half of the voting rights held by the non-connected shareholders present at the general meeting. However, when such connected transaction involves matters required by these Articles of Association to be passed by a special resolution, the resolution of the general meeting shall be passed by more than two-thirds of the voting rights held by the non-connected shareholders present at the general meeting. If a connected shareholder or his/her/its associate(s) participates in voting in violation of the provisions of this Article, such votes on the matters relating to the relevant connected transactions shall be invalid.

BOARD OF DIRECTORS

Directors

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

(1) a person without or with limited capacity for civil conduct;

(2) a person who has been sentenced to criminal punishment for corruption, bribery, infringement of property, misappropriation of property or sabotaging the socialist market economic order, where less than five years have elapsed since the completion of the sentence; or a person who has been deprived of his/her political rights for committing a crime, where less than 5 years have elapsed since the completion of the sentence; or in the case that such person has been put on probation, where less than 2 years have elapsed since the expiration of the probation period;

(3) a person who served as a director, factory manager or manager of a company or enterprise which was bankrupt and liquidated, and was personally liable for the bankruptcy of such company or enterprise, where less than 3 years have elapsed since the completion of the bankruptcy and liquidation of such company or enterprise;

(4) a person who served as the legal representative of a company or enterprise whose business license was revoked and was ordered to close down due to violation of law, and was personally liable therefor, where less than 3 years have elapsed since the revocation of the business license and the order to close down of such company or enterprise;

(5) a person who has a relatively large amount of personal debts due and outstanding and has been listed as a dishonest judgment debtor by the people's court;

(6) a person who has been subjected to an action banning him/her from the securities market by a securities regulatory authority, where the period of such action has not yet expired;

(7) other circumstances stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules or departmental rules of the place where the Company's shares are listed under which a person cannot act as a director of the Company.

Any election, appointment or engagement of directors in violation of the provisions of this Article shall be invalid. If any of the circumstances listed in the first paragraph of this Article occurs to a director during his/her term of office, the Company shall remove him/her from office.

Directors shall abide by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, and shall owe the following fiduciary duties to the Company:

(1) not to abuse their powers to accept bribes or other illegal income, and not to misappropriate the Company's property;

(2) not to misappropriate the Company's funds;

(3) not to open accounts in his/her own name or in the name of any other individual for the deposit of the Company's assets or funds;

(4) not to violate the provisions of these Articles of Association by lending the Company's funds to others or providing guarantees for others with the Company's assets without the consent of the general meeting or the board of directors;

(5) not to accept commissions from transactions involving the Company and appropriate them to his/her own;

(6) not to disclose confidential information of the Company without authorization;

(7) not to use his/her connected relationship to harm the interests of the Company;

(8) other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

Income generated by a director in violation of the provisions of this Article shall belong to the Company; if a loss is caused to the Company, such director shall be liable for compensation.

Directors shall abide by laws, administrative regulations, and these Articles of Association, and shall owe the following duties of diligence to the Company:

(1) to exercise the rights conferred by the Company prudently, carefully, and diligently to ensure that the commercial activities of the Company comply with the requirements of national laws, administrative regulations, and various national economic policies, and that its commercial activities do not exceed the business scope specified in the business license;

(2) to treat all shareholders equally;

(3) to keep abreast of the business operation and management status of the Company in a timely manner;

(4) to sign written confirmation opinions on the regular reports of the Company, and to ensure that the information disclosed by the Company is true, accurate, and complete;

(5) to truthfully provide relevant circumstances and information to the audit committee, and not to hinder the audit committee or members of the audit committee from exercising their functions and powers;

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

Board of Directors

The Company shall have a board of directors, which is accountable to the general meeting. The board of directors shall consist of 9 directors. The directors of the Company are divided into executive directors, non-executive directors, and independent non-executive directors, among which there are 3 independent non-executive directors.

The board of directors shall exercise the following functions and powers:

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

(2) to implement the resolutions of the general meetings;

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

(4) to formulate the Company's profit distribution plans and plans for making up losses;

(5) to formulate plans for increasing or reducing the registered capital of the Company, the issuance of bonds or other securities, and listing;

(6) to formulate plans for merger, division, dissolution or change of corporate form of the Company;

(7) within the scope authorized by the general meeting, to decide on matters such as external investments, acquisitions or sales of assets, asset pledges, provisions of guarantees to entities other than subsidiaries, entrusted wealth management, connected (related) transactions, and external donations of the Company;

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

(9) to decide on the appointment or dismissal of the general manager of the Company and his/her remuneration matters, and decide on the appointment or dismissal of other senior management of the Company, their remuneration, and reward and punishment matters based on the nominations of the general manager;

(10) to formulate the basic management system of the Company;

(11) to formulate proposals for amendments to these Articles of Association;

(12) to propose to the general meeting the engagement or replacement of the accounting firm that audits the Company;

(13) to listen to the work reports of the general manager of the Company and inspect the work of the general manager;

(14) other functions and powers granted by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

The board of directors of the Company establishes the audit, nomination, remuneration and strategy special committees. The special committees shall be accountable to the board of directors and shall perform their duties in accordance with these Articles of Association and the authorization of the board of directors; their proposals shall be submitted to the board of directors for consideration and decision. All members of each special committee shall be directors, and the specific composition and qualification requirements shall refer to laws, administrative regulations, departmental rules, and the regulatory rules of the place where the Company's shares are listed. The board of directors is responsible for formulating the working rules of the special committees to regulate the operations of the special committees.

The board of directors shall have one chairman. The chairman shall be elected by more than half of all directors at the board meeting.

The chairman of the board of directors shall exercise the following functions and powers:

(1) to preside over general meetings and convene and preside over board meetings;

(2) to supervise and inspect the implementation of resolutions of the board of directors;

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

(4) other functions and powers granted by the board of directors or laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Under any of the following circumstances, the chairman of the board of directors shall convene and preside over an extraordinary meeting of the board of directors within 10 days from requisition:

(1) when such meeting is requested by shareholders representing more than one-tenth of the voting rights;

(2) when such meeting is jointly requested by more than one-third of the directors;

(3) when such meeting is requested by the audit committee;

(4) when such meeting is deemed necessary by the chairman of the board of directors;

(5) other circumstances stipulated in these Articles of Association.

A board meeting shall be held only if more than half of the directors are present. Resolutions of the board of directors shall be passed by more than half of all directors. The voting on resolutions of the board of directors shall be on a one-person-one-vote basis. When the dissenting votes and affirmative votes are equal, the chairman of the board of directors shall have a casting vote.

Special Committees of the Board of Directors

The board of directors of the Company establishes an audit committee to exercise the functions and powers of the supervisory committee as stipulated in the Company Law. The audit committee shall consist of 3 members, all of whom shall be non-executive directors, and at least 2 of whom shall be independent non-executive directors. The convener/chairman shall be an independent non-executive director who is a professional possessing appropriate professional qualifications or appropriate accounting or related financial management expertise as stipulated by the securities regulatory rules of the place where the Company's shares are listed.

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. 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:

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

(2) engagement or dismissal of the accounting firm undertaking the Company's audit business;

(3) appointment or dismissal of the person in charge of finance of the Company;

(4) changes in accounting policies and accounting estimates or corrections of material accounting errors made for reasons other than changes in accounting standards;

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

The audit committee shall hold at least one meeting every quarter. An extraordinary meeting may be convened when proposed by two or more members, or when deemed necessary by the convener/chairman. A meeting of the audit committee shall be held only if more than two-thirds of its members are present. Resolutions of the audit committee shall be passed by more than half of the members of the audit committee. The voting on resolutions of the audit committee shall be on a one-person-one-vote basis.

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:

(1) nomination or appointment and removal of directors;

(2) appointment or dismissal of senior management;

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

If the board of directors fails to adopt or fully adopt the recommendations of the nomination committee, it shall record the opinions of the nomination committee and the specific reasons for not adopting them in the resolutions of the board of directors, and make disclosures accordingly.

The remuneration and evaluation committee is responsible for formulating the assessment standards for directors and senior management and conducting assessments, formulating and reviewing the remuneration policies and plans for directors and senior management, and making recommendations to the board of directors on the following matters:

(1) remuneration of directors and senior management;

(2) formulation or alteration of equity incentive plans and employee share ownership plans, the grant of rights and interests to grantees, and the fulfillment of conditions for the grantees to exercise rights and interests;

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

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

Senior Management

The Company shall have one general manager, several deputy general managers, and one person in charge of finance, who shall be appointed or dismissed by the board of directors. The Company may decide to appoint other senior management according to the actual needs of its business development.

The general manager shall serve a term of three years per session and may serve consecutive terms if re-appointed by the board of directors. The term of office of the general manager shall commence from the date of approval of his/her appointment by the resolution of the board of directors until the expiration of the term of office of the current session of the board of directors.

The general manager shall be accountable to the board of directors and shall exercise the following functions and powers:

(1) presiding over the production, operation and management of the Company, organizing the implementation of the resolutions of the board of directors, and reporting his/her work to the board of directors;

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

(3) drafting plans for the establishment of the Company's internal management structure;

(4) drafting the basic management system of the Company;

(5) formulating the specific rules and regulations of the Company;

(6) proposing to the board of directors the appointment or dismissal of other senior management of the Company;

(7) deciding on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the board of directors;

(8) drafting the wage, welfare, and reward and punishment systems for the Company's employees, and deciding on the engagement and dismissal of the Company's employees;

(9) considering and approving the purchase and disposal of fixed assets within the scope authorized by the board of directors;

(10) considering and approving investment matters within the scope authorized by the board of directors;

(11) deciding on operating loans of the Company and its subsidiaries;

(12) other functions and powers granted by these Articles of Association or the board of directors.

The general manager shall attend board meetings without voting rights.

If the senior management violate laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the provisions of these Articles of Association when performing their duties for the Company, causing losses to the Company, they shall be liable for compensation.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting Systems

The Company shall prepare its annual financial and accounting report within four months from the end of each financial year, and prepare its interim financial and accounting report within two months from the end of the first half of each financial year. The aforesaid financial and accounting reports shall be prepared and disclosed in accordance with the provisions of relevant 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.

When the Company distributes its after-tax profits for the current year, it shall allocate 10% of the profits to the statutory reserve fund of the Company. Where the accumulated amount of the statutory reserve fund of the Company reaches 50% or more of its registered capital, no further allocation is required. If the statutory reserve fund of the Company is insufficient to make up for the losses of previous years, the profits of the current year shall be used to make up for such losses before the allocation to the statutory reserve fund in accordance with the preceding paragraph. After making allocations to the statutory reserve fund from its after-tax profits, the Company may, subject to a resolution of the general meeting, make allocations to the discretionary reserve fund from its after-tax profits. The remaining after-tax profits after the Company makes up for its losses and makes allocations to its reserve funds shall be distributed in proportion to the shares held by the shareholders, unless otherwise provided by laws, regulations, the regulatory rules of the place where the Company's securities are listed or these Articles of Association which stipulate that the distribution shall not be made in proportion to the shareholdings. If the Company distributes profits to the shareholders in violation of the aforementioned provisions of this Article, the shareholders shall return the profits distributed in violation of the provisions to the Company; if losses are caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation. The shares of the Company held by itself shall not participate in profit distribution.

The reserve funds of the Company shall be used to make up for its losses, expand its production and operation, or be converted to increase the capital of the Company. When reserve funds are used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be used first; if they are still insufficient, the capital reserve fund may be used in accordance with the provisions. When the statutory reserve fund is converted into registered capital, the retained amount of such reserve fund shall not be less than 25% of the registered capital of the Company prior to such conversion.

Engagement of Accounting Firms

The Company shall engage independent accounting firms that comply with laws, regulations, the Hong Kong Listing Rules and other laws and regulations, as well as other regulatory provisions of the place where the Company's shares are listed, to conduct accounting statement audits, net asset verifications and other relevant consulting services. The term of engagement shall be one year and is subject to renewal. The engagement or dismissal of an accounting firm by the Company shall be decided by the general meeting, and the board of directors shall not appoint an accounting firm before a decision is made by the general meeting.

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

Merger, Division, Capital Increase and Capital Reduction

The merger of the Company may take the form of merger by absorption or merger by new establishment. A company absorbing other company(ies) constitutes a merger by absorption, and the absorbed company is dissolved. Two or more companies merging to establish a new company constitutes a merger by new establishment, and the parties to the merger are dissolved.

In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement, and prepare a balance sheet and an inventory of property. The Company shall notify its creditors within 10 days from the date of the resolution on the merger, and shall publish an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right within 30 days from receiving the notice, or, in the case of a creditor who does not receive such notice, within 45 days from the date of the announcement, to require the Company to repay its debts or to provide a corresponding guarantee.

Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of property. The Company shall notify its creditors within 10 days from the date of the resolution of the general meeting on the reduction of registered capital, and shall publish an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right within 30 days from receiving the notice, or, in the case of a creditor who does not receive such notice, within 45 days from the date of the announcement, to require the Company to repay its debts or to provide a corresponding guarantee. The Company is not required to reduce its shares correspondingly in proportion to the capital contributions or shares held by the shareholders. When the Company reduces its registered capital, it shall reduce its shares correspondingly in accordance with the capital reduction plan resolved at the general meeting, unless otherwise provided by laws or stipulated in these Articles of Association.

Where the merger or division of the Company involves changes in registered items, such changes shall be registered with the company registration authority in accordance with the law; if the Company is dissolved, it shall be de-registered in accordance with the law; if a new company is established, its establishment shall be registered in accordance with the law. Where the Company increases or reduces its registered capital, it shall register the changes with the company registration authority in accordance with the law.

Dissolution and Liquidation

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

(1) the term of its business operation stipulated in these Articles of Association has expired or other events of dissolution stipulated in these Articles of Association have occurred;

(2) the general meeting resolves to dissolve the Company;

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

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

(5) the Company experiences serious difficulties in its operation and management, and its continued existence will cause material losses to the interests of the shareholders, and such difficulties cannot be resolved through other means, in which case shareholders holding more than 10% of all shareholders' voting rights of the Company may petition the people's court to dissolve the Company.

If any of the circumstances of dissolution stipulated in the preceding paragraph occurs to the Company, it shall publicize the reason for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

If the Company falls under the circumstances set out in items (1) and (2) of Article 148 of these Articles of Association, and has not yet distributed its property to the shareholders, it may continue to exist by amending these Articles of Association or passing a resolution at the general meeting. The amendment to these Articles of Association or the resolution of the general meeting in accordance with the preceding paragraph shall be passed by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

Where the Company is dissolved pursuant to items (1), (2), (4) and (5) of Article 148 of these Articles of Association, it shall be liquidated. The directors, being the obligors for liquidation of the Company, shall form a liquidation committee to conduct liquidation within 15 days from the date of the occurrence of the event of dissolution. The liquidation committee shall be composed of directors, unless otherwise provided by these Articles of Association or other persons elected by a resolution of the general meeting. If the obligors for liquidation fail to perform their liquidation obligations in a timely manner, causing losses to the Company or the creditors, they shall be liable for compensation.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

(1) after the amendment of the Company Law or relevant laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association conflict with the provisions of the amended laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed;

(2) changes have occurred to the Company's situation, which are inconsistent with the matters recorded in the Articles of Association;

(3) the general meeting decides to amend the Articles of Association.