SHARES AND REGISTERED CAPITAL

The Company's shares are in the form of stocks. The par value of the shares is denominated in Renminbi, with each share having a par value of RMB1.00.

The issuance of the Company's shares is based on the principles of openness, fairness, and justice, with each share of the same category having equal rights.

For shares issued in the same offering and of the same category, the issuance conditions and price per share are the same; subscribers to the shares pay the same amount per share.

INCREASE AND DECREASE OF SHARES, REPURCHASE, AND TRANSFER OF SHARES

Increase or Decrease of Shares

In accordance with the laws, regulations, securities regulatory rules of the place where the Company's shares are listed, and the Listing Rules, and based on the resolutions of the general meeting, the Company may increase its capital through the following methods:

(i) Issuance of shares to unspecified objects;

(ii) Issuance of shares to specified objects;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Conversion of capital reserve into share capital; and

(v) Other methods stipulated by laws, administrative regulations, and approved by the CSRC and the Hong Kong Stock Exchange.

The Company may reduce its registered capital. When reducing its registered capital, the Company shall follow the procedures stipulated by the Company Law, the Listing Rules, and other relevant regulations, as well as the provisions of these Articles of Association.

Repurchase of Shares

The Company shall not acquire its own shares. However, the following exceptions apply, provided that they do not violate the laws, regulations, securities regulatory rules of the place where the Company's shares are listed, the Listing Rules, and these Articles of Association:

(i) Reduction of the Company's registered capital;

(ii) Merger with another company that holds the Company's shares;

(iii) Use of shares for employee share ownership schemes or equity incentives;

(iv) Shareholders request the Company to purchase their shares due to objections to the resolutions on the Company's merger or division passed at the general meetings;

(v) Use of shares to convert into convertible bonds issued by the Company; and

(vi) Necessary to maintain the Company's value and shareholders' rights and interests.

In the case of purchasing its own shares under the above (i) and (ii), the Company shall be approved by a resolution at the general meeting. The Company may purchase its own shares under (iii), (v), and (vi) above in accordance with the provisions of the Articles of Association or with the authorization of the general meeting by a resolution at a Board meeting attended by more than two-thirds of the Directors. After the Company acquires its own shares in accordance with the provisions of Article 25, in the case of (i), the shares shall be cancelled within 10 days from the date of acquisition; in the cases of (ii) and (iv), the shares shall be transferred or cancelled within 6 months; in the cases of (iii), (v), and (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years. Where laws, regulations, and the securities regulatory authorities of the place in which the Company's shares are listed otherwise provide for the matters related to share repurchases, such provisions shall prevail.

After acquiring its own shares, the Company shall fulfill the information disclosure obligations in accordance with the regulations of the stock exchange where the Company's shares are listed and other securities regulatory rules.

Transfer of Shares

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

Shares issued by the Company before its public offering of shares shall not be transferred within 1 year from the date of listing of the Company's shares on the stock exchange. Where laws, administrative regulations, or the CSRC and the Hong Kong Stock Exchange otherwise provide for the transfer of shares of the Company held by shareholders, such provisions shall prevail.

Directors, supervisors, and senior management personnel of the Company shall declare to the Company the shares they hold and any changes in such shares. During their term of office, the number of shares transferred each year shall not exceed 25% of the total number of shares they hold in the Company; the shares they hold shall not be transferred within 1 year from the date of listing of the Company's shares. Within six months after leaving office, the above-mentioned personnel shall not transfer the shares they hold in the Company. Where the listing rules of the place in which the Company's shares are listed otherwise provide for the restrictions on the transfer of the Company's shares, such provisions shall prevail.

SHAREHOLDERS AND GENERAL MEETING

Shareholders

Shareholders of the Company are those who legally hold the Company's shares and whose names (or titles) are registered in the register of members. The Company establishes the register of members based on the certificates provided by the securities registration and clearing institution, and the register of members is conclusive evidence of the shareholders' ownership of the Company's shares.

The original register of holders of H-shares is kept in Hong Kong for shareholders' inspection, but the Company may suspend the registration of shareholders in accordance with the applicable laws and regulations and the laws and regulations of the place where the Company's shares are listed.

Shareholders of the Company have the following rights:

(i) To receive dividends and other forms of profit distribution in accordance with the proportion of shares they hold;

(ii) To legally request, convene, chair, attend, or appoint a proxy to attend the general meeting and exercise the corresponding right to speak and vote;

(iii) To supervise the Company's operations, make suggestions, or ask questions;

(iv) To transfer, donate, or pledge the shares they hold in accordance with the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association;

(v) To review and copy this Articles of Association, the register of members, the records of general meeting, the resolutions of the Board of Directors, the resolutions of the Board of Supervisors, and the financial accounting reports. Shareholders who meet the regulations may review the Company's accounting books and vouchers;

(vi) To participate in the distribution of the Company's remaining properties in the event of the Company's dissolution or liquidation, in accordance with the proportion of shares they hold;

(vii) To request the Company to purchase their shares in the event that they object to the general meeting resolutions on the Company's merger or division; and

(viii) Other rights stipulated by laws, administrative regulations, rules, securities regulatory rules of the place where the Company's shares are listed, or these Articles of Association.

If the resolutions of the general meeting or the Board of Directors are in violation of laws and administrative regulations, the shareholders have the right to request the People's Court to declare them invalid. If the procedures for convening the general meeting or the Board meetings, or the voting methods are in violation of laws, administrative regulations, or these Articles of Association, or if the resolution content is in violation of these Articles of Association, the shareholders have the right to request the People's Court to revoke the resolution within 60 days from the date of the resolution. However, this does not apply if the procedures for convening the general meeting or the Board meetings or the voting methods have only minor flaws that do not have a substantial impact on the resolution.

Shareholders who were not notified to attend the general meeting may request the People's Court to revoke the resolution within 60 days from the date they knew or should have known about the resolution; if the right to revoke is not exercised within one year from the date of the resolution, the right to revoke shall be ceased.

Shareholders of the Company undertake the following obligations:

(i) To comply with laws, administrative regulations, the Listing Rules and these Articles of Association;

(ii) To pay the share subscription amount in accordance with the shares they subscribe for and the method of subscription;

(iii) Except as otherwise provided by laws and regulations, not to withdraw share capital;

(iv) Not to abuse shareholders' rights to prejudice the interests of the Company or other shareholders; not to abuse the independent status of a legal person or the limited liability of shareholders to prejudice the interests of the Company's creditors; and

(v) Other obligations stipulated by laws, administrative regulations, the Listing Rules, and these Articles of Association.

If a shareholder of the Company abuses his or her rights and causes loss to the Company or other shareholders, he or she shall be liable for compensation in accordance with the law. If a shareholder of the Company abuses the independent status of the corporate entity and the limited liability of shareholders to evade debts and seriously harm the interests of the Company's creditors, he or she shall bear joint and several liability for the Company's debts.

General Provisions on General Meeting

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

(i) To elect and replace directors and supervisors, and to determine the remuneration of directors and supervisors;

(ii) To review and approve the report of the Board of Directors;

(iii) To review and approve the report of the Board of Supervisors;

(iv) To review and approve the Company's profit distribution plan and loss compensation plan;

(v) To resolve on the increase or decrease of the Company's registered capital;

(vi) To resolve on the issuance of corporate bonds or other securities and listing plans;

(vii) To resolve on the Company's merger, division, dissolution, liquidation, or change of corporate form;

(viii) To amend this Articles of Association;

(ix) To formulate and amend the rules of procedure for the general meeting, the meetings of the Board of Directors and the Board of Supervisors;

(x) To resolve on the engagement or dismissal of the accounting firm undertaking the business of audit on the Company;

(xi) To review and approve the guarantee matters stipulated in Article 47 of these Articles of Association;

(xii) To review matters concerning the purchase or sale of major assets exceeding 30% of the Company's latest audited total assets within one year;

(xiii) To review equity incentive plans and employee share ownership plans;

(xiv) To review matters concerning the Company's purchase of its own shares under the circumstances stipulated in (i) and (ii) above;

(xv) To review and approve changes in the use of funds raised; and

(xvi) To review other matters stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the Hong Kong Stock Exchange, or these Articles of Association that shall be decided by the general meeting.

The general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

Except as otherwise provided by laws, administrative regulations, and departmental rules, the powers and functions of the general meeting mentioned above shall not be exercised by the Board of Directors or any other organizations or individuals on behalf of the general meeting by way of authorization.

The following guarantee of the Company shall be submitted to the general meeting for review after being reviewed and approved by the Board of Directors:

(i) Guarantees with a single amount exceeding 10% of the Company's latest audited net assets;

(ii) Guarantees provided by the Company and its controlled subsidiaries after the total amount of external guarantees exceeds 50% of the latest audited net assets;

(iii) Guarantees provided for guarantee objects with a gearing ratio exceeding 70%;

(iv) Guarantees provided by the Company to others within one year exceeding 30% of the latest audited total assets;

(v) Guarantees provided by the Company after the total amount of external guarantees exceeds 30% of the most recent audited total assets;

(vi) Guarantees provided for shareholders, effective controllers and their related parties; and

(vii) Other guarantee matters stipulated by laws, administrative regulations, rules, other normative documents, the laws and regulations of the place where the Company's shares are listed, and the Listing Rules.

For guarantee matters within the authority of the Board of Directors, in addition to being passed by more than half of all directors, they shall also be agreed upon by more than two-thirds of the directors attending the Board meeting; when the general meeting reviews the guarantee matters mentioned in (iv) above, it shall be passed by more than two-thirds of the voting rights held by the shareholders attending the meeting.

When the general meeting reviews the guarantee proposals for shareholders, effective controllers and their related parties, such shareholders or shareholders controlled by the effective controllers shall not participate in the voting on such proposals, and the voting shall be passed by more than half of the voting rights held by the other shareholders attending the general meeting. If the Company provides guarantees for controlling shareholders, effective controllers and their related parties, the controlling shareholders, actual controllers, and their related parties shall also provide counter-guarantees.

If the Company provides guarantees for wholly-owned subsidiaries, or provides guarantees for controlled subsidiaries and other shareholders of the controlled subsidiaries provide guarantees in proportion to their equity interests without harming the Company's interests, the provisions of (i) to (iii) in the second paragraph of this article may be exempted.

The general meeting is divided into the annual general meeting and the extraordinary general meeting. The annual general meeting shall be held once a year and shall be held within 6 months after the end of the previous financial year.

In the event of any of the following circumstances, the Company shall convene an extraordinary general meeting within 2 months from the date of occurrence thereof:

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

(ii) The Company's unrecovered losses reach one-third of the total paid-up capital;

(iii) At the request of shareholders who individually or collectively hold more than 10% of the Company's shares;

(iv) The Board of Directors deems it necessary;

(v) The Board of Supervisors proposes to convene it; and

(vi) Other circumstances stipulated by laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed, the Listing Rules or these Articles of Association.

Convening the General Meeting

With the consent of more than half of all independent directors, independent directors have the right to propose to the Board of Directors to convene an extraordinary general meeting. For the proposal of independent directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with the laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules and these Articles of Association, provide a written response within 10 days after receiving the proposal, indicating whether it agrees or disagrees to convene an extraordinary general meeting. If the Board of Directors agrees to convene an extraordinary general meeting, it shall serve a notice of the general meeting within 5 days after making the board resolution; if the Board of Directors disagrees to convene an extraordinary general meeting, it shall state the reasons and make an announcement.

The Board of Supervisors has the right to propose to the Board of Directors to convene an extraordinary general meeting and shall submit the proposal to the Board of Directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules and these Articles of Association, provide a written response within 10 days after receiving the proposal, indicating whether it agrees or disagrees to convene an extraordinary general meeting. If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of the general meeting within 5 days after making the board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the Board of Supervisors. If the Board of Directors disagrees to convene an extraordinary general meeting or fails to respond within 10 days after receiving the proposal, it shall be deemed that the Board of Directors is unable or fails to perform its duty to convene the general meeting. The Board of Supervisors may convene and preside over the meeting on its own.

A shareholder or shareholders holding more than 10% of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting and shall submit the request to the Board of Directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules and these Articles of Association, provide a written response within 10 days after receiving the request, indicating whether it agrees or disagrees to convene an extraordinary general meeting. If the Board of Directors agrees to convene an extraordinary general meeting, it shall serve a notice for the general meeting within 5 days after making the board resolution. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. If the Board of Directors disagrees to convene an extraordinary general meeting or does not respond within 10 days after receiving the request, a shareholder or shareholders holding more than 10% of the Company's shares have the right to propose to the Board of Supervisors to convene an extraordinary general meeting and shall submit the request to the Board of Supervisors in writing. If the Board of Supervisors agrees to convene an extraordinary general meeting, it shall serve a notice for the general meeting within 5 days after receiving the request. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. If the Board of Supervisors does not serve a notice for the general meeting within the prescribed period, it shall be deemed that the Board of Supervisors does not convene and preside over the general meeting. A shareholder or shareholders holding more than 10% of the Company's shares continuously for more than 90 days may convene and preside over the meeting on their own.

If the Board of Supervisors or a shareholder decides to convene the general meeting on their own, they shall notify the Board of Directors in writing before serving the notice of the general meeting and, if required, file with the stock exchange in accordance with the securities regulatory rules of the place where the Company's shares are listed. The proportion of shares held by the convening shareholder shall not be less than 10% before the announcement of the general meeting resolution. The Board of Supervisors or the convening shareholder shall submit relevant supporting materials in accordance with the requirements of the stock exchange where the Company's shares are listed when serving the notice of the general meeting and the announcement of the general meeting resolution.

For the general meeting convened by the Board of Supervisors or shareholders on their own, the Board of Directors and the secretary to the Board shall cooperate. The Board of Directors shall provide the register of members as at the equity registration date.

The necessary expenses for the general meeting convened by the Board of Supervisors or shareholders on their own shall be borne by the Company.

Proposals and Notices of the General Meeting

The content of the proposal shall be within the scope of the powers of the general meeting, with clear agenda items and specific matters to be resolved, and shall comply with the relevant provisions of laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules, and these Articles of Association.

For convening a general meeting of the Company, the Board of Directors, the Board of Supervisors, and a shareholder or shareholders holding more than 1% of the Company's shares have the right to propose it to the Company.

A shareholder or shareholders holding more than 1% of the Company's shares may submit an interim proposal in writing to the convener 10 days before the date of the general meeting. The convener shall issue a supplementary notice of the general meeting within 2 days after receiving the proposal, notify all shareholders of the content of the interim proposal, and, in accordance with the requirements of the securities regulatory authorities of the place where the Company's shares are listed, announce the content of the temporary proposal and submit the interim proposal for review at the general meeting. However, this does not apply if the interim proposal violates the laws, administrative regulations, or these Articles of Association, or is not within the scope of the powers of the general meeting. The Company shall not increase the shareholding ratio of the shareholders proposing interim proposals.

The convener shall notify all shareholders 20 days before the date of the annual general meeting and 15 days before the date of the extraordinary general meeting.

The notice of the general meeting shall include the following contents:

(i) The time, place, and duration of the meeting;

(ii) The matters and proposals to be considered at the meeting;

(iii) A conspicuous statement that all shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend the meeting and vote, and that the proxy does not have to be a shareholder of the Company;

(iv) The date of registration of the shareholdings of the shareholders entitled to attend the general meeting;

(v) The name and telephone number of the permanent contact person for the meeting; and

(vi) The voting time and procedures for online or other methods (if any).

The notice or supplementary notice of the general meeting shall fully and completely disclose all the specific contents of the proposals and provide all the information or explanations necessary for shareholders to make reasonable judgments on the matters to be discussed.

Convening the General Meeting

All shareholders or their proxies registered on the equity registration date shall be entitled to attend the general meeting, speak and exercise their voting rights at the meeting in accordance with relevant laws, regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules, and these Articles of Association (unless individual shareholders are required by the laws and regulations or the Listing Rules of the place where the Company's shares are listed to waive their voting rights on individual matters).

Individual shareholders attending the meeting in person shall present their identity card or other valid documents or proof that can indicate their identity; proxies attending the meeting on behalf of others shall present their valid identity documents and the shareholders' proxy forms.

Corporate shareholders shall be represented by the legal representative or a proxy appointed by the legal representative to attend the meeting. The legal representative attending the meeting shall present his or her identity card and valid proof of his or her qualification as the legal representative; the proxy attending the meeting shall present his or her identity card and the power of attorney, in written, issued by the legal representative of the corporate shareholder (except for shareholders who are recognized clearing houses as defined from time to time by the relevant ordinances under the laws of Hong Kong or laws and regulations of the place where the Company's shares are listed (hereinafter referred to as "recognized clearing houses") and their proxies).

Partnership shareholders shall be represented by their managing partner (including the proxy appointed by the managing partner) or an agent appointed by them. The managing partner (including the proxy appointed by the managing partner) attending the meeting shall present his or her identity card and valid proof of his or her qualification as the managing partner (including the proxy appointed by the managing partner); the proxy attending the meeting shall present his or her identity card and the written power of attorney issued by the managing partner of the partnership shareholder.

Where a shareholder is a recognized clearing house or its agent, such shareholder may appoint one or more persons whom it considers appropriate to act as its representative at any general meeting or creditors' meeting. However, if more than one person is appointed, the letter of authorization shall specify the number and class of shares involved for each such person. The letter of authorization shall be signed by an authorized officer of the recognized clearing house. Persons appointed in this manner may exercise the rights on behalf of the recognized clearing house (or its agent) (without having to present shareholding certificates, notarized authorizations, and/or further evidence of their formal authorization), and shall be entitled to the same statutory rights as other shareholders, including the rights to speak and vote, as if such persons were individual shareholders of the Company.

The proxy authorisation issued by a shareholder appointing a proxy to attend the general meeting shall contain the following particulars:

(i) The name or title of the appointor, the class of shares held by him or her in the Company, and the number of such shares;

(ii) The name or title of the proxy;

(iii) The specific instructions of the shareholder, including the instructions to vote in favor of, against, or abstain from voting on each item on the agenda of the general meeting;

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

(v) The signature (or seal) of the appointor. If the appointor is a non-individual shareholder, the seal of the entity shall be affixed.

The general meeting shall be presided over by the chairman of the Board. If the chairman is unable to perform his or her duties or fails to perform his or her duties, a director shall be jointly elected by more than half of the directors to preside over the meeting. For the general meeting convened by the Board of Supervisors on its own, it shall be presided over by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to perform his or her duties or fails to perform his or her duties, a supervisor shall be jointly elected by more than half of the supervisors to preside over the meeting. For the general meeting convened by shareholders on their own, a representative shall be elected by the convener to preside over the meeting. If the presiding officer of the general meeting violates these Articles of Association or the rules of procedure in such a way that the general meeting cannot continue, with the consent of more than half of the shareholders present at the general meeting who have voting rights, the general meeting may elect one person to act as the presiding officer to continue the meeting.

Voting at the General Meeting

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

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

(i) The work reports of the Board of Directors and the Board of Supervisors;

(ii) The profit distribution plan and loss compensation plan proposed by the Board of Directors;

(iii) The appointment and removal of members of the Board of Directors and the Board of Supervisors and their remuneration and payment methods; and

(iv) Other matters not stipulated by laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules, or these Articles of Association to be passed by a special resolution.

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

(i) Increase or decrease of the Company's registered capital;

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

(iii) Amendment to these Articles of Association;

(iv) Purchase or sale of material assets or guarantee amounts exceeding 30% of the Company's total assets of its latest audited accounts within one year;

(v) Share incentive schemes; and

(vi) Other matters stipulated by laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed, the Listing Rules, or these Articles of Association, and other matters that the general meeting deems to have a significant impact on the Company and are required to be passed by a special resolution.

Shareholders shall exercise their voting rights in accordance with the number of shares they represent, with one vote per share.

The shares held by the Company in itself shall not have voting rights, and such shares shall not be counted into the total number of shares with voting rights present at the general meeting. In accordance with the applicable laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, and the Listing Rules, if any shareholder is required to abstain voting on any individual resolution or is restricted to vote only in favor or only against, any vote made by the shareholder (or its proxy) in violation of the relevant regulations or restrictions shall not be counted in the voting results.

If a shareholder purchases shares with voting rights in violation of Articles 63(1) and (2) of the Securities Law of the People's Republic of China, the shares exceeding the prescribed ratio shall not be entitled to exercise voting rights within 36 months from the date of purchase, and shall not be counted into the total number of shares with voting rights present at the general meeting.

When the general meeting considers matters concerning connected transactions, connected shareholders shall not participate in the voting, and the number of shares with voting rights represented by them shall not be counted into the total number of valid votes; the announcement of the general meeting resolution shall fully disclose the voting status of non-connected shareholders.

BOARD OF DIRECTORS

Directors

The directors of the Company shall be natural persons. A person who falls under any of the following circumstances shall not be appointed as a director of the Company:

(i) Lacking civil capacity or having restricted civil capacity;

(ii) Having been sentenced to criminal penalty for bribery, embezzlement, misappropriation of property, or other acts that disrupt the socialist market economic order, or having been deprived of political rights due to a crime, and the term of enforcement has not exceeded 5 years, or having been granted a suspended sentence, and the term of the suspended sentence has not exceeded 2 years from the date of completion of the probation period;

(iii) Having served as a director or manager of a company or enterprise that has undergone bankruptcy liquidation and being personally responsible for the bankruptcy of that company or enterprise, and not having exceeded 3 years from the date of completion of the bankruptcy liquidation;

(iv) Having served as the legal representative of a company or enterprise whose business license was revoked or ordered to close due to illegal activities and being personally responsible, and not having exceeded 3 years from the date of revocation of the business license or closure order;

(v) Individuals who have been classified by the People's Court as bad faith defendant due to the failure to repay a significant amount of debt that is outstanding by the due date;

(vi) Having been subject to administrative penalties imposed by the CSRC in the past 3 years, or having been subject to market entry ban imposed by the CSRC for an unexpired term;

(vii) Having been publicly reprimanded or criticized more than twice by the Stock Exchange in the past 3 years;

(viii) Having been publicly determined by a stock exchange as unfit to serve as a director or senior management of a listed company for an unexpired term; and

(ix) Other contents stipulated by laws, administrative regulations, departmental rules, or the laws and regulations of the place where the Company's shares are listed and the Listing Rules.

Directors shall be elected or replaced by the general meeting and may be removed from office by an ordinary resolution at the general meeting before the expiration of their term of office. The removal of a director by an ordinary resolution does not affect the director's right to claim compensation under any contract. The term of office of a director is 3 years, and upon expiration of the term, the director may be re-elected for consecutive terms.

Directors may concurrently hold the position of senior management, but the total number of directors who concurrently hold the position of general manager or other senior management positions shall not exceed half of the total number of directors of the Company. The Board of Directors shall not have any employee-representative directorship.

A director may resign before the expiration of his or her term of office. Resignation of a director shall be made by submitting a written report to the Board of Directors. In the event that the Board of Directors and its special committees of the Company fall below the statutory minimum due to the resignation of a director, or in the event that the number of independent directors falls below the statutory requirement due to the resignation of an independent director, until the re-elected director assumes his/her office, the original director shall still perform the duties of a director in accordance with the laws, administrative regulations, departmental rules, normative documents, laws and regulations of the place where the Company's shares are listed as well as the Listing Rules and the provisions of these Articles of Association.

Board of Directors

The Company shall establish a Board of Directors, which shall consist of seven directors, including three independent directors. The Board of Directors shall have one chairman, who shall be elected by more than half of all directors.

The Board of Directors shall exercise the following powers:

(i) To convene the general meeting and report to the general meeting;

(ii) To implement the resolutions of the general meeting;

(iii) To determine the Company's business plan and investment programs;

(iv) To formulate the Company's profit distribution plan and loss compensation plan;

(v) To formulate plans regarding the increase or reduction of the Company's registered capital, the issuance of bonds or other securities, and listing;

(vi) To draft plans for major acquisitions, the purchase of the Company's own shares under the circumstances stipulated in Article 25.1. (i) and (ii) of these Articles of Association, or the merger, division, dissolution, and change of corporate form of the Company;

(vii) Within the scope of authorization by the general meeting, to decide on matters such as the Company's external investments, purchase and sale of assets, asset mortgages, external guarantees, entrusted financial management, connected transactions, and external donations;

(viii) To determine the establishment of the Company's internal management bodies;

(ix) To make decision for appointing or dismissing the Company's general manager, secretary to the Board, and other senior management personnel, and to determine their remuneration and rewards and punishments; to appoint or dismiss the Company's financial officer-in-charge and other senior management personnel based on the nomination of the general manager, and to determine their remuneration and rewards and punishments;

(x) To formulate the Company's basic management systems;

(xi) To draft amendments to these Articles of Association;

(xii) To manage the Company's information disclosure matters;

(xiii) To propose to the general meeting the engagement or replacement of the accounting firm undertaking the Company's audit;

(xiv) To receive the work report of the Company's general manager and inspect the work of the general manager;

(xv) To make resolutions on the Company's purchase of its own shares under the circumstances stipulated in Article 25.1. (iii), (v) and (vi) of these Articles of Association above; and

(xvi) Other powers stipulated by laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed, the Listing Rules, or these Articles of Association, and those granted by the general meeting.

If a director has an associated relationship with an enterprise or individual involved in a resolution of the Board meeting, such director shall promptly report to the Board of Directors in writing. A director with an associated relationship shall not exercise voting rights on such resolution, nor shall he or she act as a proxy for other directors to exercise voting rights. The Board meeting with an associated relationship may be held with the attendance of more than half of the unrelated directors, and the resolution of the Board meeting shall be passed by a majority of the unrelated directors. If the number of unrelated directors attending the Board meeting is less than three, the matter shall be submitted to the general meeting for review.

The Company's Board of Directors shall establish an Audit Committee and, other special committees such as strategy, nomination, remuneration and appraisal, etc., as necessary, to perform their duties in accordance with these Articles of Association and the authorization of the Board of Directors. The proposals of the special committees shall be submitted to the Board of Directors for review and decision. The working procedures of the special committees shall be formulated by the Board. All members of the special committees shall consist of directors, among whom the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee shall have a majority of independent directors serving as the convenors of such committees, and the convenor of the Audit Committee shall be a professional in accounting. The Nomination Committee shall have one director of a different gender.

General Manager and Senior Management

The Company shall have one general manager, nominated by the chairman of the Board and appointed or dismissed by the Board of Directors. The Company shall have several deputy general managers, one chief medical officer, one financial officer-in-charge, and one secretary to the Board. The deputy general managers, chief medical officer and the financial officer-in-charge shall be nominated by the general manager, and the secretary to the Board shall be nominated by the chairman of the Board, all of whom shall be appointed or dismissed by the Board of Directors.

The provisions of the Articles of Association regarding the circumstances under which a person shall not serve as a director and the regulations on the system for managing the staff attrition shall also apply to senior management personnel. The provisions of these Articles of Association regarding the fiduciary duties and diligence obligations of Directors shall also apply to senior management personnel.

The term of office of the general manager shall be 3 years, and the general manager may be reappointed for consecutive terms.

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

(i) To preside over the Company's production, operation, and management, organize and implement the resolutions of the Board of Directors, and report to the Board of Directors on his work;

(ii) To organize and implement the Company's annual business plan and investment programs;

(iii) To draft plans for the establishment of the Company's internal management organization;

(iv) To draft the Company's basic management systems;

(v) To formulate the Company's specific regulations;

(vi) To propose to the Board of Directors the appointment or dismissal of the Company's financial officer-in-charge and deputy general managers;

(vii) To appoint or dismiss responsible management personnel other than those decided by the Board of Directors;

(viii) To appoint or dismiss responsible management personnel other than those whose should be appointed or dismissed by the Board of Directors; and

(ix) Other powers granted by these Articles of Association or the Board of Directors.

The Company shall have a secretary to the Board, who shall be responsible for the preparation of the general meetings and the Board meetings, the custody of documents, the management of the Company's shareholders' information, and the handling of information disclosure and other related matters.

Senior management personnel of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders. If senior management personnel fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and shareholders, they shall be liable for compensation in accordance with the law.

BOARD OF SUPERVISORS

Supervisors

The provisions of this Articles of Association regarding the circumstances under which a person shall not serve as a director shall also apply to supervisors. Directors, general managers, and other senior management personnel shall not concurrently serve as supervisors.

Supervisors shall comply with the provisions of laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, the Listing Rules and these Articles of Association. The provisions of these Articles of Association regarding the fiduciary duties and diligence obligations of directors shall also apply to supervisors.

The term of office of a Supervisor shall be 3 years. A Supervisor may be re-elected for consecutive terms upon expiration of his or her term of office.

If a Supervisor is not re-elected upon expiration, or if a Supervisor resigns during his or her term causing the number of Supervisors to fall below the statutory minimum, the original Supervisor shall still perform his or her duties as a Supervisor in accordance with laws, administrative regulations, the Listing Rules and these Articles of Association until the newly elected supervisor takes office.

If a supervisor violates the laws, administrative regulations, departmental rules, the Listing Rules or these Articles of Association in performing his or her duties for the Company and causes loss to the Company, he or she shall be liable for compensation.

Board of Supervisors

The Company shall establish a Board of Supervisors. The Board of Supervisors shall consist of 3 Supervisors, including one chairman. The chairman of the Board of Supervisors shall be elected by a majority of supervisors. The chairman of the Board of Supervisors shall convene and preside over the meetings of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to perform his or her duties or fails to perform his or her duties, one Supervisor shall be jointly elected by a majority of the Supervisors to convene and preside over the meeting of the Board of Supervisors.

The Board of Supervisors shall include representatives of shareholders and an appropriate proportion of employee representatives of the Company, among whom the proportion of employee representatives shall not be less than one-third. The employee representatives in the Board of Supervisors shall be elected democratically by the Company's employees through staff congresses, staff representative meetings, or other forms. The Board of Supervisors shall exercise the following powers:

(i) To review and provide written opinions on the Company's regular reports compiled by the Board of Directors;

(ii) To inspect the Company's finances;

(iii) To supervise the conduct of Directors and senior management personnel in performing their duties for the Company, and to propose the removal of directors and senior management personnel who violate laws, administrative regulations, the Listing Rules or these Articles of Association, or the resolutions of the general meeting;

(iv) If the Board of Supervisors finds that Directors or senior management personnel violate laws, administrative regulations, normative documents or these Articles of Association, it shall report to the Board of Directors or the general meeting;

(v) To request rectification if the conduct of Directors or senior management personnel harms the interests of the Company;

(vi) To propose the convening of an extraordinary general meeting, and to convene and preside over the general meeting if the Board of Directors fails to perform its duty to convene and preside over the general meeting as stipulated in the Company Law;

(vii) To propose to the general meeting;

(viii) In accordance with Article 189 of the Company Law, to initiate litigation against Directors and senior management personnel;

(ix) To conduct investigations if it identifies any abnormality in the Company's operations; if necessary, it may engage accounting firms, law firms, and other professional institutions to assist in its work, at the Company's expense;

(x) To attend Board meetings and to inquire about or make suggestions on the matters resolved by the Board of Directors;

(xi) To request the Directors and senior management personnel to submit reports on the performance of their duties; and

(xii) Other powers stipulated by the laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed, the Listing Rules or these Articles of Association, or as granted by the general meeting.

The Board of Supervisors shall hold at least one meeting every six months. A supervisor may propose to convene an interim meeting of the Board of Supervisors. The voting of resolutions of the Board of Supervisors shall be on a one-person-one-vote basis. Resolutions of the Board of Supervisors shall be passed by a majority of the Supervisors.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall formulate its financial accounting system in accordance with the laws, administrative regulations, relevant national departments, the laws and regulations of the place where the Company's shares are listed, and the Listing Rules.

The Company shall not maintain any accounting books other than the statutory ones. The Company's assets shall not be deposited or stored in any account opened in any individual's name.

Profit Distribution

When distributing the after-tax profits of the current year, the Company shall appropriate 10% of the profits to the Company's statutory surplus reserve. If the accumulated amount of the Company's statutory surplus reserve exceeds 50% of its registered capital, no further appropriation may be made. If the Company's statutory surplus reserve is insufficient to cover the losses of previous years, the Company shall first use the current year's profits to cover the losses before any appropriation of the statutory surplus reserve as stipulated above.

After the Company has appropriated its statutory surplus reserve from the profits after tax, it may, upon a resolution of the general meeting, appropriate a discretionary surplus reserve from the profits after tax. The after-tax profits remaining after the Company has covered its losses and appropriated its surplus reserves shall be distributed in proportion to the number of shares held by the shareholders. In the event that a general meeting violates the Company Law by distributing profits to shareholders, the shareholders shall refund the profits distributed in breach of the regulations to the Company; if this causes loss to the Company, the shareholders and the Directors, Supervisors, and senior management personnel who are responsible shall be liable for compensation. The shares held by the Company in itself shall not participate in the distribution of profits.

The Company's surplus reserve shall be used to cover the Company's losses, expand the Company's production and operations, or increase its registered capital. To cover losses with the surplus reserve, the discretionary surplus reserve and the statutory surplus reserve shall first be used; if still insufficient, the capital surplus reserve may be used in accordance with the regulations. When the statutory surplus reserve is converted into registered capital, the retained balance of such surplus reserve shall not be less than 25% of the Company's registered capital before the conversion.

Internal Audit

The Company shall implement an internal audit system, which specifies the leadership structure, responsibilities and authorities, staffing, financial support, application of audit results, and accountability for internal audit work. The internal audit system of the Company shall be implemented after approval by the Board of Directors and shall be disclosed externally. The internal audit organization shall be accountable to the Board of Directors.

Engagement of an Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law of the People's Republic of China and other relevant laws and regulations, as well as the securities regulatory rules of the place where the Company's shares are listed, to conduct audit of financial statements, verification of net assets, and other related consultancy services. The term of engagement shall be one year, and the engagement may be renewed.

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 prior to the decision of the general meeting.

The Company shall ensure that the accounting vouchers, accounting books, financial accounting reports, and other accounting materials provided to the engaged accounting firm are true and complete, and shall not refuse delivery, or conceal or misrepresent them.

The audit fees of the accounting firm shall be determined by the general meeting.

When the Company terminates or does not renew the engagement of an accounting firm, it shall notify the accounting firm 10 days in advance. When the general meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to present its opinions.

If an accounting firm proposes to resign, it shall explain to the general meeting whether there are any irregularities in the Company.

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

Merger, Division, Increase and Reduction of Capital

A merger of companies can be by absorption or by establishment of a new entity.

If one company absorbs another company, it is a merger by absorption, and the absorbed companies shall be dissolved. If two or more companies merge to form a new company, it is a merger by creation, and all merging parties shall be dissolved.

In the event of a merger of companies, the merging parties shall enter into a merger agreement and compile a balance sheet and a checklist of assets. The Company shall notify its creditors of the merger within 10 days from the date of the resolution on the merger and make an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days. Within 30 days from the date of receipt of the notice, or within 45 days from the date of the announcement if the notice has not been received, the creditors may request the Company to settle the debts or provide corresponding guarantees.

When the Company involves a merger, the claims of debts and liabilities of the merging parties shall be inherited by the surviving company or the newly established company after the merger.

When the Company is divided, its assets shall be divided accordingly.

When the Company is divided, the parties involved shall enter into a division agreement and compile a balance sheet and a checklist of assets. The Company shall notify its creditors within 10 days from the date of the resolution on the division and announce it in the newspaper or the National Enterprise Credit Information Publicity System within 30 days.

When the Company is merged or divided, and there is a change in the registration, it shall lawfully apply for a change of registration with the company registration authority. If the company is dissolved, it shall lawfully apply for cancellation of registration. If a new company is established, it shall lawfully apply for registration of establishment.

When the Company increases or decreases its registered capital, it shall lawfully apply for a change of registration with the company registration authority.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(i) The occurrence of the dissolution events stipulated in the Articles of Association (if any);

(ii) Resolution of the general meeting to dissolve;

(iii) Dissolution is required due to the Company's merger or division;

(iv) The business license is revoked by law, the Company is ordered to be closed down or revoked; and

(v) The Company's operations and management encounter serious difficulties, and its continued existence would cause significant losses to the shareholders' interests, which cannot be resolved through other means. A shareholder holding more than 10% of the total voting rights of all shareholders of the Company may request the People's Court to dissolve the Company.

If the Company encounters any of the dissolution events mentioned above, it shall display the reasons for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

If the Company is dissolved due to the occurrence of the events mentioned in (i) and (ii) above, and has not yet distributed the Company's assets to the shareholders, the Company may continue to exist by amending this Articles of Association or by resolution of the general meeting. Any amendment to this Articles of Association or resolution made by the general meeting in accordance with the provisions of the preceding paragraph shall be passed by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

If the Company is dissolved due to the occurrence of the events mentioned in (i), (ii), (iv), or (v) above, it shall be liquidated pursuant to Article 204 of this Articles of Association. The directors shall be the liquidators of the Company and shall establish a liquidation group to commence liquidation within 15 days from the occurrence of the dissolution event. The liquidation group shall be composed of directors, unless otherwise stipulated in this Articles of Association or resolved by the general meeting to select other persons. If the Company is dissolved due to the occurrence of the event mentioned in (iv) above, the department or company registration authority that made the decision to revoke the business license, order the Company to close down, or revoke the Company may apply to the People's Court to appoint relevant persons to form a liquidation group to commence liquidation.

The liquidation group shall notify the creditors within 10 days from the date of its establishment and shall announce it in the newspaper or the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation group within 30 days from the date of receiving the notice, and those who have not received the notice may declare their claims within 45 days from the date of the announcement.

When declaring claims, creditors shall specify the relevant matters of the claims and provide proof. The liquidation group shall register the claims.

During the period for declaration of claims, the liquidation group shall not make repayments to the creditors.

After the liquidation group has liquidated the Company's assets, compiled a balance sheet and a checklist of assets, it shall formulate a liquidation plan and submit it to the general meeting or the People's Court for confirmation. During the liquidation period, the Company shall continue to exist but shall not engage in any business activities unrelated to the liquidation. The Company's assets shall not be distributed to the shareholders before the claims are settled in accordance with the provisions of the preceding paragraph.

If the liquidation group discovers, after liquidating the Company's assets, compiling a balance sheet and a checklist of assets, that the Company's assets are insufficient to repay its debts, it shall apply to the People's Court for bankruptcy declaration in accordance with the law. After the People's Court accepts the bankruptcy application, the liquidation group shall transfer the liquidation matters to the bankruptcy administrator appointed by the People's Court.

After the Company's liquidation is completed, the liquidation group shall prepare a liquidation report, submit it to the general meeting or the People's Court for confirmation, and file it with the company registration authority to apply for the cancellation of the Company's registration and announce the termination of the Company.

If the Company is declared bankrupt by law, it shall be liquidated in accordance with the relevant laws on enterprise bankruptcy.

Amendment of the Articles of Association

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

(i) After the amendment of the Company Law or relevant laws, administrative regulations, departmental rules, normative documents, or the laws and regulations of the place where the Company's shares are listed, and the Listing Rules, the provisions of the Articles of Association conflict with the amended laws, administrative regulations, departmental rules, normative documents, or the laws and regulations of the place where the Company's shares are listed, and the Listing Rules;

(ii) Changes in the Company's situation that are inconsistent with the matters recorded in the Articles of Association; and

(iii) Resolution of the general meeting to amend the Articles of Association.

The matters of amendment to the Articles of Association passed by the general meeting shall be approved by the competent authority if required; if they involve matters of company registration, the change of registration shall be handled in accordance with the law.

The Board of Directors shall amend this Articles of Association in accordance with the resolution of the general meeting on the amendment of the Articles of Association and the approval opinions of the competent authorities.