*This Appendix is primarily intended to provide* [**REDACTED**] *with an overview of the Articles of Association. The following information is only a summary and therefore may not contain all the information that is material to potential* [**REDACTED**].

## ISSUANCE OF SHARES

The Company shall issue shares under the principles of openness, fairness and equality and shares of the same class carry the equal rights. Shares of the same class issued at the same time shall be issued under the same condition and at the same price. Shares subscribed by subscribers shall be paid at the same consideration.

## INCREASE, DECREASE AND REPURCHASE OF SHARES

### Increase and Decrease of Shares

According to the operation and development needs of the Company, subject to the laws, regulations, the Company may increase the share capital in the following ways upon approval of resolutions at the shareholders' meetings:

(i) Issuing shares to unspecified parties;

(ii) Issuing shares to specific targets;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Converting the reserve funds into share capital;

(v) Other methods as stipulated by laws, administrative regulations, the CSRC, the securities regulatory bodies and the stock exchange in the place where the shares of the Company are [**REDACTED**].

The Company may decrease the registered capital. When the Company reduces its registered capital, it shall comply with the procedures stipulated in the Company Law and other regulations, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association.

### Repurchase of Shares

The Company shall not purchase its own shares, except in one of the following circumstances:

(i) Reducing the Company's registered capital;

(ii) Merging with other companies which hold the shares of the Company;

(iii) Using the shares for an employee stock ownership plan or equity incentive;

(iv) Purchasing its shares from shareholders who have voted against the resolutions on the merger or division of the Company at a shareholders' meeting upon their request;

(v) Using the shares for conversion of corporate bonds convertible into shares issued by the Company;

(vi) Necessary for the Company to maintain its value and protect the interests of the Shareholders.

(vii) other circumstances permitted by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and regulatory rules of the place where the shares of the Company are [**REDACTED**].

Where the Company purchases its own shares under any of the circumstances set out in (iii), (v) and (vi) above, centralized public [**REDACTED**] shall be used, provided that the requirements of the Hong Kong Listing Rules and the regulatory rules and guidelines of the Hong Kong Stock Exchange are complied with.

Where the Company repurchases its shares under the circumstances set out in (i) and (ii) above, a resolution shall be passed at the shareholders' meeting. Where the Company repurchases its shares under the circumstances set out in (iii), (v) and (vi) above, a resolution may be passed at a board meeting attended by more than two thirds of the directors in accordance with the provisions of the Articles of Association or as authorized by the shareholders' meeting.

After the Company has repurchased its own shares under the circumstances set out in (i) to (vi) above, the shares repurchased shall be canceled within 10 days from the date of purchase (under the circumstance set out in (i) above), or shall be transferred or canceled within six months (under the circumstances set out in (ii) and (iv) above). If the Company repurchases its shares under the circumstances set out in (iii), (v) and (vi) above, the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

If laws and regulations, normative documents, the relevant regulatory rules of the place where the shares of the Company are [**REDACTED**] have other provisions on matters related to share repurchase, such provisions shall prevail.

**Transfer of Shares**

The shares of the Company may be transferred in accordance with laws. Except for [**REDACTED**] and [**REDACTED**] during the [**REDACTED**] hours on the Hong Kong Stock Exchange, all transfers of H shares shall be effected by an instrument of transfer in writing in a form acceptable to the Board of Directors (including standard transfer format or ownership transfer form prescribed by the Hong Kong Stock Exchange from time to time) and such instrument of transfer may be executed by hand only or under a valid corporate seal (if the transferor or transferee is a corporation). If the transferor or transferee is a recognized clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or its nominee(s), the instrument of transfer may be executed by hand or by machine imprint. All instruments of transfer shall be deposited at the legal address of the Company or at such address as the Board of Directors shall from time to time designate.

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

Shares issued by the Company before the [**REDACTED**] shall not be transferred within one year from the date on which the shares of the Company are [**REDACTED**] and [**REDACTED**] on the stock exchange.

The Directors and senior management of the Company shall declare the Company of their holdings of shares of the Company (including preferred shares) and the changes therein. The shares transferred by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of the total shares of the same class they hold in the Company. The shares of the Company held by them shall not be transferred within one year from the date on which the Company's shares are [**REDACTED**] for [**REDACTED**]. The shares of the Company held by them shall not be transferred within half a year from their departure from the Company.

Where relevant requirements of the securities regulatory authorities in the place where the shares of the Company are [**REDACTED**] contain any other provisions on the transfer restrictions of H shares, such provisions shall prevail.

Where the shareholders, directors, and senior management personnel of the Company who hold more than 5% of the Company's shares, sell his/her shares in the Company or other securities with equity nature within six months of his/her purchase, or purchase the shares again within six months of the sale, the [**REDACTED**] therefrom shall accrue to the Company and the Board of Directors of the Company shall recover such [**REDACTED**], except for securities companies, Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited, holding more than 5% of the Company's shares due to the purchase of the remaining shares pursuant to an [**REDACTED**], and other circumstances stipulated by relevant regulatory authorities such as the CSRC, the securities regulatory bodies and the stock exchanges in the place where the shares of the Company are [**REDACTED**].

If the Board of Directors of the Company fails to comply with the provision set forth above, the Shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the Shareholders are entitled to initiate litigation directly in the People's Court in their own names for the interest of the Company.

## SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

### Shareholders

The Company shall establish a register of shareholders based on the certificates provided by the share registrar where the shares of the Company are [**REDACTED**]. The register of shareholders shall be sufficient evidence proving the shareholders' holding of the Company's shares. Shareholders shall enjoy rights and assume obligations according to the class of shares held by them. Shareholders who hold shares of the same class shall enjoy equal rights and assume equal obligations.

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

(i) To receive dividends and other forms of interest distribution according to the number of shares held;

(ii) The right to legally request to call, convene, hold, attend or appoint a proxy to attend shareholders' meeting and vote thereat;

(iii) To supervise operations of the Company, provide suggestions or submit queries;

(iv) To transfer, grant or pledge the Company's shares held according to the provisions of the laws, administrative regulations and the Articles of Association;

(v) To inspect and copy the Articles of Association, the register of shareholders, shareholders' meeting minutes, resolutions of meetings of the Board of Directors and financial and accounting reports, and to inspect the accounting books and accounting vouchers of the Company in case of shareholders who meet the requirements, unless otherwise provided by the securities regulatory rules of the place where the shares of the Company are [**REDACTED**];

(vi) To participate in the distribution of the remaining assets of the Company according to the proportion of shares held upon the termination or liquidation;

(vii) To require the Company to acquire the shares from shareholders voting against any resolutions adopted at the shareholders' meeting concerning the merger and division of the Company;

(viii) Other rights conferred by laws, administrative regulations, departmental rules or the Articles of Association.

The obligations of the shareholders of the Company are as follows:

(i) To abide by laws, administrative regulations and the Articles of Association;

(ii) To provide share capital according to the shares subscribed and the subscription methods;

(iii) Not to withdraw the share capitals unless required by the laws and regulations;

(iv) Not to abuse shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of shareholders to damage the interests of the Company's creditors;

(v) To assume other obligations required by laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and cause the Company or other shareholders to suffer damages shall bear compensation liability in accordance with the law. Shareholders of the Company who abuse the independent legal person status of the Company and limited liability of shareholders to evade debts and cause damage to the interests of the creditors of the Company shall bear joint liability for the Company's debt.

**General Provisions for Shareholders' Meetings**

The shareholders' meeting is the organ of authority of the Company, which exercises its powers in accordance with the law:

(i) To elect or replace the directors and to decide on matters relating to the remuneration of directors;

(ii) To examine and approve reports of the Board of Directors;

(iii) To examine and approve the Company's proposals for profit distribution and loss recovery;

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

(v) To decide on the issue of corporate bonds by the Company;

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

(vii) To amend the Articles of Association;

(viii) To decide on the Company's appointment and dismissal of accounting firms for auditing services, as well as matters related to the remuneration of accounting firms;

(ix) To examine and approve the guarantees stipulated in the Article 47 of the Articles of Association;

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

(xi) To examine and approve matters relating to changes in the use of [**REDACTED**];

(xii) To examine and approve the equity incentive plans and employee stock ownership plans;

(xiii) To examine and approve major transactions and connected transactions that should be considered and approved by the shareholders' meeting under the laws, administrative regulations, the regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association;

(xiv) To examine and approve other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association, which shall be decided by the shareholders' meeting.

The following acts of external guarantee of the Company shall be submitted to the shareholders' meeting for deliberation and approval:

(i) any guarantee provided after the total amounts of the external guarantees provided by the Company and its majority-owned subsidiaries exceed 50% of the latest audited net assets;

(ii) any guarantee provided after the total amounts of the external guarantees provided by the Company exceed 30% of the latest audited total assets;

(iii) a guarantee provided by the Company to any person within one year with an amount exceeding 30% of the latest audited total assets of the Company;

(iv) any guarantees provided to companies with an asset-liability ratio exceeding 70%;

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

(vi) any guarantees provided for shareholders, actual controllers and their related parties;

(vii) other guarantees which shall be determined at the shareholders' meeting as prescribed by the laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association.

When the shareholders' meeting reviews proposals for guarantees provided to shareholders, actual controller, and its connected persons (as defined under the Hong Kong Listing Rules), the shareholder in question or the shareholder under the control of the actual controller shall not participate in the voting on such proposals. The voting on such proposals shall be passed by a majority of the voting rights held by the other shareholders present at the shareholders' meeting.

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

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

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

(ii) The uncovered losses of the Company reach one-third of its total paid-in share capital;

(iii) A request from shareholders who individually or collectively hold 10% or more shares in the Company;

(iv) The Board of Directors considers it necessary;

(v) The audit committee proposes that such a meeting shall be held;

(vi) Other circumstances conferred by the laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association.

**Assembling of Shareholders' Meetings**

After obtaining the consent of a majority of all independent directors, an independent director has the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. Upon receiving such a proposal, 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 [**REDACTED**] and the Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene an extraordinary shareholders' meeting. If the Board of Directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of the shareholders' meeting within five days after making the board resolution. If the Board of Directors disagrees to convene an extraordinary shareholders' meeting, it shall state the reasons and make an announcement.

The audit committee's proposal to the Board of Directors to convene an extraordinary shareholders' meeting shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association, give a written reply on whether to convene the extraordinary shareholders' meeting or not within 10 days after receipt of the proposal. If the Board of Directors agrees to convene the extraordinary shareholders' meeting, a notice of such meeting shall be issued within five days after the resolution of the Board of Directors is passed. Any change to the original proposal in the notice is subject to the consent of the audit committee. If the Board of Directors does not agree to convene the extraordinary shareholders' meeting, or fails to give a reply within 10 days of receipt of the proposal, it is deemed that the Board of Directors is unable to perform or fails to perform its duty to convene a shareholders' meeting, and the audit committee may convene and preside over the meeting on its own.

Shareholder(s) individually or collectively holding 10% or more of the Company's shares request the Board of Directors to convene extraordinary shareholders' meeting, provided that such request shall be made in writing. The Board of Directors shall, in accordance with provisions of the laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary shareholders' meeting within 10 days after receiving such proposal of the same. In the event that the Board of Directors agrees to convene an extraordinary shareholders' meeting, the notice of a shareholders' meeting shall be issued within five days after the passing of the relevant resolution of the Board of Directors. Any changes to the original request made in the notice shall require prior approval of the shareholders concerned. In the event that the Board of Directors does not agree to convene an extraordinary shareholders' meeting or does not furnish any reply within 10 days after receiving such proposal, shareholders individually or collectively holding 10% or more of the Company's shares shall be entitled to propose to the audit committee the convening of extraordinary shareholders' meeting, provided that such proposal shall be made in writing. In the event that the audit committee agrees to convene an extraordinary shareholders' meeting, the notice of a shareholders' meeting shall be issued within five days after receiving such request. Any changes to the original request made in the notice shall require prior approval of the shareholders concerned. Failure of the audit committee to issue a notice of a shareholders' meeting within the stipulated period shall be deemed as failure of the audit committee to convene and preside over a shareholders' meeting, and shareholder(s) individually or collectively holding 10% or more of the Company's shares for 90 consecutive days or more shall be entitled to convene and preside over the meeting on a unilateral basis.

**Proposals and Notices of Shareholders' Meetings**

The Company may convene a shareholders' meeting, and the Board of Directors, the audit committee, as well as shareholders who individually or collectively hold more than 1% of the Company's shares, have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the Company's shares may submit a temporary proposal in writing to the convener 10 days prior to the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within two days after receiving the proposal, announcing the content of the temporary proposal and submitting the temporary proposal to the shareholders' meeting for consideration. However, this does not apply if the temporary proposal violates the provisions of laws, administrative regulations, or the Articles of Association, or if it is not within the scope of the shareholders' meeting's authority. If, according to the securities regulatory rules of the place where the shares of the Company are [**REDACTED**], the shareholders' meeting must be postponed due to the issuance of a supplementary notice, the meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the shares of the Company are [**REDACTED**].

Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the shareholders' meeting, he/she shall not modify the proposals already listed in the notice of the shareholders' meeting or add new proposals. The shareholders' meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the shareholders' meeting or that do not comply with the provisions of the Articles of Association.

The convener shall notify shareholders by way of announcement 21 days before the convening of an annual shareholders' meeting, and shareholders will be notified by notice 15 days before the convening of an extraordinary shareholders' meeting. When calculating the starting period, the date of the meeting shall not be included.

A notice of a shareholders' meeting shall include the following:

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

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

(iii) a prominent written statement that all shareholders of ordinary shares are entitled to attend shareholders' meeting and are entitled to appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a shareholder of the Company;

(iv) the record date of registration of shareholders entitled to attend the shareholders' meeting;

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

(vi) the time and procedure for voting online or through other means.

After the shareholders' meeting notice has been issued, the meeting should not be postponed or canceled without a valid reason, and the proposals listed in the notice should not be canceled. In the event of a postponement or cancellation, the convener shall announce and explain the reasons at least two trading days before the originally scheduled date. If the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] have any other provisions regarding the procedures for postponing or canceling a shareholders' meeting, such provisions shall prevail, provided that they do not violate the regulatory requirements of the domestic jurisdiction.

**Convening of Shareholders' Meetings**

All shareholders of ordinary shares or their proxies registered on the record date for equity registration shall be entitled to attend the shareholders' meeting, and exercise voting rights at the meeting in accordance with relevant laws, regulations, and the Articles of Association (unless individual shareholders are required to abstain from voting on certain matters under the securities regulatory rules of the place where the shares of the Company are [**REDACTED**]). Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend and vote on their behalf.

Shareholders' meetings shall be chaired by the Chairman. In the event the Chairman is unable to perform his duties or he does not perform his duties, a director who has been elected by a simple majority of the directors shall chair the meeting. The shareholders' meeting convened by the audit committee by its own shall be chaired by the convener of the audit committee. In the event that the convener of the audit committee is unable to perform his/her duties or he/she does not perform his/her duties, a member of the audit committee jointly elected by more than half of the members of the audit committee shall chair the meeting. When shareholders convene the shareholders' meeting on their own, the convener or a representative elected by the convener shall chair the meeting.

If the chairman of the meeting violates the rules of procedure and prevents the meeting from proceeding, upon the agreement of more than half of the shareholders present and entitled to vote, the shareholders' meeting may elect one person to serve as the chairman to continue the meeting.

**Voting at the Shareholders' Meeting**

Resolutions of the shareholders' meetings are classified into ordinary resolutions and special resolutions. An ordinary resolution at a shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders present at the shareholders' meeting (including proxies). A special resolution at a shareholders' meeting shall be passed by at least two-thirds of the voting rights held by the shareholders present at the shareholders' meeting (including proxies).

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

(i) Work reports of the Board of Directors;

(ii) Plans of profit distribution and recovery of losses schemes drafted by the Board of Directors;

(iii) Appointment or dismissal of the members of the Board of Directors, their remunerations and the payment method;

(iv) Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association.

The following matters shall be approved by special resolutions at the shareholders' meeting:

(i) The increase or reduction of the registered capital of the Company;

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

(iii) Any amendment to the Articles of Association;

(iv) The purchase and sale of material assets or guarantee provided by the Company to others within one year with the amount of more than 30% of the latest audited total assets of the Company;

(v) Equity incentive plan;

(vi) Other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association, and considered by the shareholders' meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company, shall be passed by special resolution.

Shareholders (including proxies) shall exercise voting rights based on the number of shares with voting rights held by them, and each share shall be entitled to one vote.

When a related party (connected) transaction is considered at a shareholders' meeting, the related (connected) shareholders shall abstain from voting and the number of voting shares that they represent shall not be counted towards the total number of valid voting shares. Announcement of resolutions of the shareholders' meeting shall fully disclose the voting of non-related (non-connected) shareholders.

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

If any shareholder, under applicable laws and regulations and the Hong Kong Listing Rules, is required to abstain from voting on any particular matter being considered or is restricted to voting only for or against any particular matter being considered, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted towards the total number of shares with voting rights.

If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights of shareholders present at the shareholders' meeting for 36 months after the purchase.

The Company's Board of Directors, independent directors, shareholders holding more than 1% of the shares with voting rights or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the place where the shares of the Company are [**REDACTED**] may publicly solicit shareholders' voting rights. When soliciting shareholders' voting rights, the specific voting intentions and other information shall be fully disclosed to the persons whose voting rights are being solicited. Compensation or disguised compensation for soliciting shareholders, voting rights is prohibited. The Company shall not impose minimum shareholding restrictions on the solicitation of voting rights other than the statutory conditions.

## DIRECTORS AND BOARD OF DIRECTORS

### Directors

The directors shall be elected or replaced by the shareholders' meeting, and may be removed from office by ordinary resolution at the shareholders' meeting before the term of office of any director (including executive directors) expires (provided that such removal will not affect any claim made by such director for damages according to any contract). The directors serve for a term of office of three years, and may be re-elected and serve consecutive terms upon the expiration of the term.

The term of office for directors begins on the date of their appointment and ends when the current Board of Directors' term expires. If the term of office for directors expires and a timely re-election has not taken place, the former directors shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, and the Articles of Association until the newly elected directors take office.

If the Board of Directors appoints a director to fill a casual vacancy or as an addition to the Board of Directors, such director shall hold office only until the first annual shareholders' meeting after his/her appointment and shall be eligible for re-election thereat.

A director may serve concurrently as senior management member, but the total number of directors serving concurrently senior management and employee representative directors shall not be more than half of the directors of the Company.

A director may resign before expiry of his/her term of service. A director shall submit a written resignation notice to the Company when he/she resigns, and the notice shall take effect on the date on which the Company receives the resignation notice. The Company shall disclose the relevant circumstances within two trading days. If the number of the board members falls below the minimum statutory requirement due to a director's resignation, or the resignation of an independent director results in the proportion of independent directors on the Company's Board of Directors or special committees no longer complying with laws, regulations, or the provisions of the Articles of Association, or there is no accounting professional among the independent directors, the former directors shall still perform their duties as directors in accordance with the requirements of the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] and the Articles of Association until an elected director assumes his/her office.

**Board of Directors**

The Company has the Board of Directors, which consists of seven directors. They are categorized as executive directors, non-executive directors, and independent non-executive directors. The number of independent non-executive directors shall account for at least one-third of the total board members and be no fewer than three.

The Board of Directors has one chairman who shall be elected by the Board of Directors with more than half of all directors.

The Board of Directors shall exercise the following duties and powers:

(i) to convene shareholders' meetings and report its work to the shareholders' meetings;

(ii) to implement the resolutions of the shareholders' meetings;

(iii) to resolve business operation plans and investment plans of the Company;

(iv) to formulate the profit distribution plans and plans for recovery of losses of the Company;

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

(vi) to draft plans for significant acquisitions of the Company, the purchase of shares of the Company, merger, division, dissolution or change of the form of the Company;

(vii) within the scope authorized by the shareholders' meeting or in accordance with the listing rules of the exchange where the shares of the Company are [**REDACTED**], to decide on matters such as the Company's external investments, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted wealth management, related party (connected) transactions, and external donations;

(viii) to determine the internal management structure of the Company;

(ix) to decide on the appointment or dismissal of the Company's manager, board secretary, and other senior management personnel, and to determine their remuneration matters as well as rewards and penalties; to decide on the appointment or dismissal of the Company's deputy manager, chief financial officer, and other senior management personnel based on the manager's nomination, and to determine their remuneration matters as well as rewards and penalties.

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

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

(xii) to manage the information disclosure of the Company;

(xiii) to propose to the shareholders' meeting for appointment or replacement of the accounting firms which provide audit services to the Company;

(xiv) to listen to work reports of the manager of the Company and review his/her work;

(xv) to examine and process the transfer of shares held by shareholders of the Company's domestic unlisted shares to foreign investors, or the approval for shareholders of the Company's domestic unlisted shares to convert their holdings into overseas listed shares and list them on a foreign stock exchange.

(xvi) other duties and powers stipulated by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] or the Articles of Association or granted by the shareholders' meeting.

Matters beyond the scope of such authorization shall be submitted to the shareholders' meeting for consideration.

The Board of Directors shall convene at least four meetings per year, approximately once per quarter, called by the Chairman, and all directors shall be notified in writing at least 14 days prior to the meeting. Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, or the audit committee may propose to convene an extraordinary meeting of the Board of Directors. The Chairman shall convene and preside over the meeting of the Board of Directors within 10 days after receiving the proposal.

A meeting of the Board of Directors shall be held only if more than half of the directors are present. Resolutions of the Board of Directors must be passed by a majority of all directors, except as otherwise provided by laws, regulations and the Articles of Association.

If a director has an associated relationship with an enterprise or individual involved a resolution of the meeting of the Board of Directors, the director shall promptly submit a written report to the Board of Directors. The director who has an associated relationship shall not exercise the voting right on such resolution, nor shall such director act on behalf of other directors in exercising the voting right. A meeting of the Board of Directors may be held if more than half of the directors without associated relationships are present, and resolutions made at the meeting of the Board of Directors must be passed by a majority of the directors without associated relationships.

If the number of directors without associated relationships attending the meeting of the Board of Directors is less than three, the matter shall be submitted to the shareholders' meeting for review. If laws, regulations and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] impose any additional restrictions on directors' participation in meetings of the Board of Directors and voting, such provisions shall prevail.

Directors shall attend board meetings in person. Where a director is unable to attend a meeting for any reason, he/she may by a written power of attorney appoint another director to attend the meeting on his/her behalf. The power of attorney shall set out the name of the proxy, the subject and scope of authorization and the period of the validity of the power of attorney, which shall be signed or officially sealed by the authorizing party. The director attending the meeting on behalf of another director shall exercise the rights of the director within the scope of authorization. Where a director is unable to attend a board meeting and has not appointed a proxy to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

**Special Committees under the Board of Directors**

The Board of Directors of the Company shall establish an audit committee, which shall exercise the functions and powers of the supervisory committee as stipulated under the Company Law.

The Board of Directors of the Company shall establish special committees such as a committee of Environment, Social and Governance (ESG), an audit committee, a nomination committee, a remuneration and appraisal committee. These committees perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals from the special committees shall be submitted to the Board of Directors for deliberation and decision-making. The working procedures of the special committees are formulated by the Board of Directors.

**Senior Management**

Senior management referred to in the Articles of Association include the manager, deputy manager, chief financial officer, secretary of the Board of Directors and other personnel as stipulated in the Articles of Association.

The Company shall have a manager who shall be appointed or removed by the Board of Directors. The Company shall have deputy managers who shall be appointed or removed by the Board of Directors. The Company shall have the secretary of the Board of Directors, who shall be responsible for the preparation of the shareholders' meetings and the meetings of the Board of Directors of the Company, the preservation of the documents and the management of the information on the Company's shareholders, and the handling of the information disclosure and other issues.

The manager is accountable to the Board of Directors and exercises the following duties and powers:

(i) To preside over the Company's production and business management activities, implement the resolutions of the Board of Directors, and report work to the Board of Directors;

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

(iii) To draft proposals for the establishment of internal management institutions of the Company;

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

(v) To formulate specific regulations of the Company;

(vi) To propose to the Board of Directors the appointment or dismissal of deputy managers and the chief financial officer of the Company;

(vii) To decide on the appointment or dismissal of management personnel other than those who should be appointed or dismissed by the Board of Directors;

(viii) Other duties and powers granted by the Articles of Association or the Board of Directors.

The manager attends the meetings of the Board of Directors as a non-voting member.

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 of the Company fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and the public shareholders, they shall be liable for compensation in accordance with the law.

## FINANCIAL ACCOUNTING SYSTEM AND DISTRIBUTION OF PROFITS AND AUDIT

### Financial Accounting System

The Company shall formulate its financial and accounting systems in accordance with the laws, administrative regulations and regulations of relevant authorities of the state.

The Company shall prepare, publish and distribute annual reports and interim reports in accordance with the provisions of relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**].

The Company shall not have any account books except for its statutory ones. The Company's funds shall not be deposited in any account opened in the name of any individual.

### Distribution of Profits

When distributing after-tax profits of the year, the Company shall allocate 10% of its after-tax profits to the Company's statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached 50% or more of the Company's registered capital, the Company needs not to make any further allocations to that fund.

Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve in accordance with the preceding provision.

After the Company has extracted the statutory surplus reserve from the after-tax profit, it may, upon resolution of the shareholders' meeting, extract a discretionary surplus reserve from the after-tax profits.

Any surplus of after-tax profits after the Company has made up losses and made allocations to the statutory reserve may be distributed to shareholders in proportion to their shareholdings except for such profits which shall be not distributed according to the proportion of the shareholding as stipulated in the Articles of Association.

No profits shall be distributed in respect of the corporate shares held by the Company.

The Company's surplus reserves are used to make up for the Company's losses, to expand the Company's production and operations, or to increase the Company's registered capital. When using surplus reserves to make up for losses, the discretionary surplus reserve and the statutory surplus reserve shall be used first; if they are still insufficient to make up for the losses, the capital surplus reserve may be used in accordance with the regulations.

When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital of the Company before such conversion.

**Internal Audit**

The Company shall implement internal audit system, which clearly defines the leadership system, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit.

The internal audit institution is accountable to the Board of Directors. During the supervision and inspection of the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall be subject to the oversight and guidance of the audit committee. If the internal audit institution discovers any material issues or leads, it shall immediately report directly to the audit committee.

**Appointment of an Accounting Firm**

The Company shall appoint such accounting firm which has complied with national laws and regulations, the Hong Kong Listing Rules and the securities regulatory rules of the place where the shares of the Company are [**REDACTED**] for carrying out the audit of the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be one year and may be renewed.

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

The Company shall ensure that it provides the engaged accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports, and other accounting materials. The Company shall not refuse, conceal, or provide false information.

The auditing fee of the accounting firm shall be determined by the shareholders' meeting.

In the event of termination of the appointment or non-renewal of appointment of an accounting firm, the Company shall notify the accounting firm 10 days in advance; when the shareholders' meeting votes on termination of appointment of an accounting firm, the accounting firm shall be allowed to make its representation.

An accounting firm proposing to resign shall state its opinions in the shareholders' meeting whether the Company has committed any improper act.

## 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 either merger by absorption or merger by establishment of a new entity. In the event of a merger, the parties to the merger shall enter into a merger agreement, and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date on which the resolution in favour of the merger is adopted and shall publish an announcement in a newspaper or the National Enterprise Credit Information

Publicity System (國家企業信用信息公示系統) within 30 days from the date of such resolution. The creditors have the right to ask for the Company's settlement of the debts or provision of corresponding guarantee within 30 days from the receipt of the notice or within 45 days from the date of the announcement in case of non-receipt of the notice.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded by the surviving company or the new company established subsequent to the merger.

Where there is a division of the Company, its assets shall be divided accordingly. Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days from the date of the resolution for the division and shall publish an announcement in a newspaper or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

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

Where reducing its registered capital, the Company shall prepare a balance sheet and property list. The Company shall notify its creditors within 10 days from the date of the resolution for the reduction of its registered capital at the shareholders' meeting and shall publish an announcement in a newspaper or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor may within 30 days from the receipt of the notice or, in case where he/she fails to receive such notice within 45 days from the date of the announcement, demand the Company to repay its debts or provide guarantees for such debts.

**Dissolution and Liquidation**

The Company shall be dissolved upon the occurrence of the following events:

(i) expiry of the term of business provided in the Articles of Association or other cause of dissolution as specified therein;

(ii) a resolution on dissolution is passed by a shareholders' meeting;

(iii) dissolution is required due to the merger or division of the Company;

(iv) the business license of the Company is revoked or the Company is ordered to close down or dissolved in accordance with the laws;

(v) the Company has significant difficulties in operation and management, and its continued existence would cause significant losses to shareholders' interests, and such issues cannot be solved through other means, shareholders representing 10% or more of the voting rights of the Company may request the people's court to dissolve the Company.

Where the circumstances of (i) and (ii) set out above occur, and the Company has not yet distributed any property to its shareholders, it may subsist by amending the Articles of Association or by a resolution of a shareholders' meeting. The amendments to the Articles of Association pursuant to the preceding paragraph or the resolutions of the shareholders' meeting shall be approved by more than two-thirds of the voting rights held by shareholders attending the shareholders' meeting.

Where the Company is dissolved pursuant to (i), (ii), (iv) or (v) set out above, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution.

The liquidation group shall notify the creditors within 10 days from its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days from the receipt of the notice or within 45 days from the issuance of the public announcement in the case of failing to receive such notice.

When declaring claims, creditors shall specify the relevant matters of the claims and provide supporting documents. The liquidation group shall register the claims. During the period for declaring claims, the liquidation group shall not make repayments to the creditors.

After the liquidation group has sorted out the Company's assets, prepared the balance sheet and inventory of assets, it shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation. The Company's assets shall be used to pay the liquidation expenses, employees' wages, social insurance fees, and statutory compensation, to pay the taxes owed, and to repay the Company's debts. The remaining assets shall be distributed among the shareholders in proportion to their shareholdings.

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 aforementioned provisions have been complied with.

After sorting out the Company's assets and preparing the balance sheet and inventory of assets, the liquidation group finds that the Company's assets are insufficient to repay the debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the law.

Upon the completion of the Company's liquidation, the liquidation group shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and file it with the Company's registration authority to apply for the deregistration of the Company.

If the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

**Amendments to the Articles of Association**

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

(i) after amendments are made to the Company Law or other relevant laws, administrative regulations, the Hong Kong Listing Rules and securities regulatory rules of the place where the shares of the Company are [**REDACTED**], the matters stipulated in the Articles of Association are in conflict with the provisions of the revised laws, administrative regulations, the Hong Kong Listing Rules and securities regulatory rules of the place where the shares of the Company are [**REDACTED**];

(ii) where changes occur in the Company' s circumstances, resulting in inconsistency with matters recorded in the Articles of Association;

(iii) the shareholders' meeting has resolved to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolutions of the shareholders' meetings require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved changes shall be registered in accordance with the laws.

Any amendment to the Articles of Association that is required to be disclosed in accordance with laws and regulations shall be announced in accordance with provisions thereof.