This Appendix contains the principal terms of the Articles of Association of the Company (the "**Articles of Association**"), which shall become effective and be implemented on the date on which the H Shares are [**REDACTED**] on the Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). The main purpose of this Appendix is to provide an overview of the Articles of Association of the Company for prospective [**REDACTED**], and therefore it may not contain all the information that is important to prospective [**REDACTED**].

ISSUANCE OF SHARES

Shares shall be issued by the Company under the principles of transparency, fairness and equitableness, and each share of the same type shall have the same rights. For the same type of shares issued in one offering, the issue criteria and price for each share shall be identical; the subscribers shall pay the same price for each share subscribed.

INCREASE AND DECREASE OF SHARE CAPITAL AND SHARE REPURCHASE

The Company may increase its capital by the following means, in accordance with the provisions of laws, regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, subject to separate resolutions of the shareholders' meeting based on the needs of its operation and development:

(1) Issuance of shares to unspecified investors;

(2) Issuance of shares to specified investors;

(3) Distribution of bonus shares to existing shareholders;

(4) Conversion of reserve to increase share capital; and

(5) Other means approved by laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed, and securities regulatory authorities such as the CSRC.

The Company may increase its registered capital in accordance with the procedures prescribed by the relevant laws, regulations and the *HKEX Listing Rules*, after approval has been obtained as provided in the Articles of Association.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated in the *Company Law*, the *HKEX Listing Rules*, other relevant regulations, and the Articles of Association.

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

(1) Reduction of registered capital;

(2) Merger with another company which holds its shares;

(3) Use of shares for employee stock ownership plan or equity incentives;

(4) A shareholder's objection to the resolution on the Company's merger or division passed by the shareholders' meeting, requesting the Company to acquire its shares;

(5) Use of shares for conversion of corporate bonds issued by the Company that can be converted into shares; or

(6) Necessity for the purpose of maintaining the value of the Company and shareholders' equity.

(7) Other circumstances stipulated by laws, administrative regulations, departmental rules, normative documents, the *HKEX Listing Rules*, and other regulatory rules of the jurisdiction where the Company's shares are listed.

The Company may repurchase its own Shares in such manner as may be permitted by the laws, administrative regulations and the CSRC (if required), the regulatory rules of the place where the Company's shares are listed, or the securities regulatory authorities, stock exchanges and other relevant regulatory authorities.

Where the Company repurchases its shares under circumstances (1) and (2) of this Article, it shall be subject to a resolution of the shareholders' meeting; where the Company repurchases its shares under circumstances (3), (5) and (6) of this Article, subject to compliance with the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed, it may be subject to a resolution of a Board meeting attended by more than two-thirds of the directors.

Subject to compliance with the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed, after the Company repurchases its shares in accordance with this Article, in the case of circumstance (1), the shares shall be cancelled within ten days from the date of repurchase; in the case of circumstances (2) and (4), the shares shall be transferred or cancelled within six months; in the case of circumstances (3), (5) and (6), the total number of shares of the Company held by the Company shall not exceed ten percent of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Where relevant laws, administrative regulations, departmental rules, other normative documents and regulatory rules of the jurisdiction where the Company's shares are listed (including the *Securities Law* and the *HKEX Listing Rules*) have other provisions regarding matters related to the Company's repurchase of its own shares, such provisions shall prevail.

TRANSFER OF SHARES

The shares of the Company shall be transferred according to law. The transfer of the Company's shares must be registered with the local share registration institution entrusted by the Company.

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

Shares issued prior to the public offering by the Company shall not be transferred within one year from listing and trading of the Company's stocks on the Hong Kong Stock Exchanges.

The directors and senior executives of the Company shall declare to the Company their holding of shares in the Company and the changes thereof, and the shares transferred each year during their tenure determined at the time of appointment shall not exceed 25% of the total number of the same class of shares of the Company held by them; the Company shares held by them shall not be transferred within one year from listing and trading of the Company's stocks.

If laws, administrative regulations, the CSRC, the *HKEX Listing Rules*, or other regulatory rules of the jurisdiction where the Company's shares are listed have other provisions restricting the transfer of the Company's shares, such provisions shall prevail.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

Shareholders

The Company shall establish a register of shareholders based on the certificates provided by the Securities Depository and Clearing Institution. The register of shareholders is sufficient evidence to prove the shares held by shareholders. The shareholders shall enjoy rights and assume obligations according to the class of shares they hold; shareholders holding the same class of shares shall enjoy the same rights and assume the same type of obligations.

When the Company convenes a shareholders' meeting, distributes dividends, conducts liquidation, or engages in other actions requiring confirmation of shareholder identity, the record date shall be determined by the board of directors or the convenor of the shareholders' meeting. Shareholders recorded in the register on the record date are the shareholders entitled to the relevant rights.

The shareholders shall have the following rights:

(1) To request, convene, preside over, participate in, or appoint a proxy to participate in shareholders' meetings according to law, to speak at such meetings, and to exercise corresponding voting rights (unless an individual shareholder is required by the *HKEX Listing Rules* or other regulatory rules of the jurisdiction where the Company's shares are listed to abstain from voting on specific matters);

(2) supervising the Company's business operations, proposing recommendations or raising queries;

(3) To transfer, donate, or pledge the shares they hold in accordance with laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the provisions of the Articles of Association;

(4) being entitled to dividends and any other form of distribution of benefits based on the number of shares held by them;

(5) To inspect and copy the Company's Articles of Association, register of shareholders, minutes of shareholders' meetings, resolutions of board meetings, financial and accounting reports, and register of bondholders; eligible shareholders may inspect the Company's accounting books and accounting vouchers.

(6) participating in the distribution of residual property based on their shareholding upon termination or liquidation of the Company;

(7) a shareholder who objects to the resolution on merger or division passed by the shareholders' meeting may request the Company to acquire his/her shares; and

(8) Other rights stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association.

Any shareholder requesting to inspect the relevant information or materials mentioned in the preceding article shall comply with laws and administrative regulations such as the *Company Law*, the *Securities Law*, the *HKEX Listing Rules*, and the securities regulatory rules of the jurisdiction where the Company's shares are listed, and shall provide the Company with written documents proving its shareholding and the number of shares held. The Company, after verifying the shareholder's identity, shall provide the information as requested by the shareholder.

Any eligible shareholder requesting to inspect the Company's accounting books and accounting vouchers shall submit a written request to the Company, stating the purpose of inspection. If the Company has reasonable grounds to believe that the shareholder's inspection of accounting books and accounting vouchers has an improper purpose that may harm the legitimate interests of the Company, it may refuse to provide access and shall, within fifteen days from the date of receiving the shareholder's written request, provide a written reply to the shareholder stating the reasons.

Shareholders inspecting accounting books and accounting vouchers may entrust accounting firms, law firms, or other intermediary institutions to do so; shareholders and the entrusted accounting firms, law firms, or other intermediary institutions inspecting or copying relevant materials shall comply with laws and administrative regulations concerning the protection of state secrets, trade secrets, personal privacy, personal information, etc.

Where the contents of a resolution passed by a shareholders' meeting or board of directors violate laws and administrative regulations, a shareholder shall have the right to apply to a people's court to declare the resolution invalid.

Where the convening procedures or voting method of a shareholders' meeting or a board meeting violates laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, a shareholder shall have the right to apply to a people's court for revocation within 60 days from passing of the resolution, except where the convening procedures or voting method of a shareholders' meeting or a board meeting has only minor defect which does not have a substantial impact on the resolution.

Shareholders who were not notified of a shareholders' meeting may, within sixty days from the date they knew or should have known of the adoption of the resolution of the meeting, request the people's court to revoke it; if the right of revocation is not exercised within one year from the date the resolution was adopted, the right of revocation shall be extinguished.

Under any of the following circumstances, a resolution of the shareholders' meeting or the board of directors shall be invalid:

(1) the resolution is passed without holding a shareholders' meeting or a board meeting;

(2) the resolution is not voted on at a shareholders' meeting or a board meeting;

(3) the number of persons present at the meeting or the voting rights represented at the meeting does not meet the thresholds stipulated in the *Company Law* or the Articles of Association; or

(4) the number of persons who consent to the resolution or the number of votes in favour of the resolution does not meet the thresholds stipulated in the *Company Law* or the Articles of Association.

If a resolution of the shareholders' meeting or the board of directors is declared null and void, revoked or confirmed invalid by the people's court, the civil legal relationship formed between the Company and a bona fide counterparty based on such resolution shall not be affected.

Where any director or senior executive other than members of the Audit Committee causes loss to the Company in the course of performing his/her duties in violation of laws, administrative regulations or the Articles, shareholders who individually or collectively hold one percent (1%) or more of the voting shares of the Company for one hundred and eighty (180) consecutive days or more shall have the right to make a written request to the Audit Committee to bring a lawsuit before a People's Court. Where the Audit Committee causes loss to the Company in the course of performing its duties in violation of laws, administrative regulations or the Articles, the aforesaid shareholders may make a written request to the Board to bring a lawsuit before a People's Court.

Where the Audit Committee or the Board refuses to bring a lawsuit after receiving the written request from the shareholders as prescribed in the preceding paragraph, or fails to bring a lawsuit within thirty (30) days from the date of receiving the request, or where the situation is urgent and failure to bring a lawsuit immediately will cause irreparable damage to the interests of the Company, the shareholders prescribed in the preceding paragraph shall have the right to bring a lawsuit directly before a People's Court in their own names for the benefit of the Company. Where any third party infringes upon the lawful rights and interests of the Company and causes loss thereto, the shareholders prescribed in the Articles may bring a lawsuit before a People's Court in accordance with the provisions of the preceding two paragraphs.

Where any director, supervisor or senior executive of a wholly-owned subsidiary of the Company causes loss to such subsidiary in the course of performing his/her duties in violation of laws, administrative regulations, other regulatory rules of the jurisdiction where the Company's shares are listed or the Articles, or where any third party infringes upon the lawful rights and interests of a wholly-owned subsidiary of the Company and causes loss thereto, shareholders who individually or collectively hold one percent (1%) or more of the voting shares of the Company for one hundred and eighty (180) consecutive days or more may make a written request to the board of supervisors or the board of directors of such wholly-owned subsidiary to bring a lawsuit before a People's Court, or bring a lawsuit directly before a People's Court in their own names, in accordance with the provisions of the preceding three paragraphs of the Articles.

If any director or senior executive damages the shareholders' interests by violating any law, administrative regulation, or the Articles of Association, the shareholders may file a lawsuit with the people's court.

The shareholders of the Company shall assume the following obligations:

(1) To abide by laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association, and to maintain the Company's trade secrets;

(2) making payment according to the shares subscribed for and the method of shareholding;

(3) Not to withdraw their capital contribution except under circumstances stipulated by laws and administrative regulations;

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

(5) Other obligations stipulated by laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

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

Shareholders holding more than five percent of the shares with voting rights of the Company who pledge their shares shall report the fact to the Company in writing on the day it occurs.

The controlling shareholder, actual controller, directors, and senior executives of the Company shall not use their connected (or associated) relationships to harm the interests of the Company. If they violate this provision and cause losses to the Company, they shall bear compensation liability.

The controlling shareholder and actual controller of the Company owe a duty of good faith to the Company and other shareholders of the Company. The controlling shareholder shall strictly exercise the rights of an investor according to law, and shall not harm the legitimate rights and interests of the Company and other shareholders through means such as profit distribution, asset reorganization, external investment, fund occupation, loan guarantees, etc., and shall not use its controlling position to harm the interests of the Company and other shareholders.

GENERAL RULES ON SHAREHOLDERS' MEETINGS

The shareholders' meeting of the Company shall be composed of all shareholders. The shareholders' meeting is the authoritative body of the Company and shall exercise the following functions and powers according to law:

(1) To elect and replace directors, and decide on matters relating to their remuneration;

(2) Deliberating and approving reports of the board of directors;

(3) Deliberating and approving profit distribution plans and loss recovery plans of the Company;

(4) To examine and approve the Company's annual financial budget and final accounts.

(5) Deciding on any increase or decrease of the Company's registered capital;

(6) Deciding on the issuance of corporate bonds;

(7) Deciding on any merger, restructuring, division, change of corporate form, or a sale of the entire undertaking of the Company;

(8) To resolve on the dissolution, liquidation, or bankruptcy proceedings of the Company;

(9) Amending the Articles of Association of the Company;

(10) To make resolutions on the engagement, dismissal and remuneration of the accounting firm handling the Company's audit business;

(11) To examine and approve the guarantee matters specified in Article 45 of the Articles of Association;

(12) To examine matters involving the purchase or sale of significant assets within one year exceeding thirty percent of the Company's latest audited total assets;

(13) To examine and approve matters concerning changes in the use of funds raised;

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

(15) To examine and approve other matters stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association to be decided by the shareholders' meeting.

The shareholders' meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds. The specific execution of matters concerning the issuance of corporate bonds resolved by the shareholders' meeting or authorized by the shareholders' meeting to be resolved by the board of directors shall comply with the provisions of laws, administrative regulations, the CSRC, and the Hong Kong Stock Exchange.

Unless otherwise provided by laws, administrative regulations, CSRC regulations, securities regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association, the functions and powers of the shareholders' meeting mentioned in the first paragraph of this Article shall not be exercised by the board of directors or other institutions or individuals by way of authorization.

If the Company engages in a transaction that requires announcement under the rules of the stock exchange where its shares are listed, it shall fulfill the corresponding approval and decision-making procedures and disclose in accordance with the provisions of the *HKEX Listing Rules*.

The following external guarantee matters of the Company shall be submitted to the shareholders' meeting for consideration after being reviewed and approved by the board of directors:

(1) Any guarantee provided after the total amount of external guarantees of the Company and its holding subsidiaries exceeds fifty percent of the Company's latest audited net assets;

(2) Any guarantee provided after the total amount of external guarantees of the Company exceeds thirty percent of the latest audited total assets;

(3) Guarantees provided to others within one year where the amount exceeds thirty percent of the Company's latest audited total assets;

(4) Guarantees provided to a guarantee recipient whose asset-liability ratio exceeds seventy percent;

(5) A single guarantee exceeding ten percent of the Company's latest audited net assets;

(6) Guarantees provided by the Company for its shareholders, actual controllers, and their connected (or associated) parties;

(7) Other guarantees stipulated by laws, administrative regulations, departmental rules, normative documents, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association.

If the Company provides guarantees for its wholly-owned subsidiaries, or guarantees for its holding subsidiaries where other shareholders of the holding subsidiaries provide guarantees in proportion to their rights and interests, without harming the interests of the Company, it may be exempted from submitting to the board of directors or the shareholders' meeting for consideration.

When a shareholders' meeting considers a guarantee proposal for shareholders, actual controllers, and their connected (affiliated) persons, such shareholder or the shareholder controlled by such actual controller shall not participate in the voting. The resolution shall be passed by more than half of the voting rights held by other shareholders present at the meeting.

When the Company engages in connected (or associated) transactions, it shall ensure the legality, necessity, reasonableness and fairness of the connected (or associated) transactions, maintain the Company's independence, and shall not use connected (or associated) transactions to adjust financial indicators or harm the interests of the Company.

If the Company engages in a connected (or associated) transaction that requires announcement under the rules of the stock exchange where its shares are listed, it shall fulfill the corresponding approval and decision-making procedures and disclose in accordance with the provisions of the *HKEX Listing Rules*.

Shareholders' meetings shall include annual shareholders' meetings and interim shareholders' meetings. An annual shareholders' meeting, which will be convened once a year, shall be held within six months after the end of the preceding fiscal year. If the Company is unable to convene the annual general meeting within the aforesaid period due to any reason, it shall report to the CSRC local office having jurisdiction over the Company and the stock exchange(s) in the place where the Company's shares are listed, stating the reasons and making a public announcement.

An interim shareholders' meeting shall be convened within two months from the occurrence of any following circumstance:

(1) When the number of directors falls below the number required by the *Company Law* or less than two-thirds of the number stipulated in the Articles of Association;

(2) When the uncovered losses of the Company reach one-third of the total paid-in share capital;

(3) At the request of the shareholders individually or jointly holding ten percent or more of the voting shares of the Company;

(4) When the board of directors deems it necessary;

(5) When proposed by the Audit Committee;

(6) Other circumstances stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association.

CONVENING OF SHAREHOLDERS' MEETINGS

Shareholders' meetings shall be convened by the board of directors. Independent non-executive directors, with the consent of at least majority of all independent non-executive directors, are entitled to propose to the board of directors to convene an interim shareholders' meeting. The board of directors shall, within ten days upon receipt of such proposal for an interim shareholders' meeting from independent non-executive directors, by giving a written reply, approve or decline such proposal upon considering the relevant provisions of the applicable laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed and the Articles of Association.

If the board of directors approves such proposal for an interim shareholders' meeting, it shall, by giving a written notice, convene the interim shareholders' meeting within five days upon issuance of the resolution of the board of directors; if the board of directors declines such proposal for an interim shareholders' meeting, it shall clarify the reasons therefor and make an announcement. Where the securities regulatory authority of the jurisdiction where the Company's shares are listed provides otherwise, the provisions of such authority shall apply.

The Audit Committee shall have the right to propose to the Board the convening of an interim shareholders' meeting, and shall submit such proposal to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the place where the Company's shares are listed, as well as the Articles, provide written feedback indicating its consent or disagreement to convene an interim shareholders' meeting within ten (10) days upon receipt of the proposal.

Where the Board agrees to convene an interim shareholders' meeting, it shall issue a notice of shareholders' meeting within five (5) days after making the Board resolution.

Where the Board disagrees to convene an interim shareholders' meeting, or fails to provide feedback within ten (10) days upon receipt of the proposal, it shall be deemed that the Board is unable 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.

Shareholders who individually or collectively hold ten percent (10%) or more of the voting shares of the Company shall have the right to request the Board to convene an interim shareholders' meeting, and shall submit such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the place where the Company's shares are listed, as well as the Articles, provide written feedback indicating its consent or disagreement to convene an interim shareholders' meeting within ten (10) days upon receipt of the request.

Where the board of directors gives consent to convening of an interim shareholders' meeting, a notice on convening of shareholders' meeting shall be issued within 5 days after the board resolution is passed; any change to the original request in the notice shall be approved by the relevant shareholders.

Where the Board disagrees to convene an interim shareholders' meeting, or fails to provide feedback within ten (10) days upon receipt of the request, shareholders who individually or collectively hold ten percent (10%) or more of the voting shares of the Company shall have the right to propose to the Audit Committee the convening of an interim shareholders' meeting, and shall submit such request to the Audit Committee in writing.

Where the Audit Committee agrees to convene an interim shareholders' meeting, it shall issue a notice of shareholders' meeting within five (5) days upon receipt of the request. Any modification to the original proposal in the notice shall be subject to the consent of the relevant shareholders.

Where the Audit Committee fails to issue a notice of shareholders' meeting within the prescribed time limit, it shall be deemed that the Audit Committee does not convene or preside over the shareholders' meeting, and shareholders who individually or collectively hold ten percent (10%) or more of the voting shares of the Company for ninety (90) consecutive days or more may convene and preside over the meeting on their own.

If the Audit Committee or any eligible shareholder(s) select to convene an interim shareholders' meeting, it/he/they shall give a written notice to the Board of such selection, and simultaneously complete the necessary reporting, announcement, or filing (if required) in accordance with the applicable securities regulatory rules of the jurisdiction where the Company's shares are listed, such as the *HKEX Listing Rules*.

Such convening shareholder(s) shall hold at least ten percent of the voting shares of the Company until the announcement of the resolution of such interim shareholders' meeting.

When issuing the notice of the shareholders' meeting and the announcement of the resolution of the meeting, the Audit Committee or such convening shareholder(s) shall submit relevant supporting materials (if required) to the Hong Kong Stock Exchange in accordance with the applicable securities regulatory rules of the jurisdiction where the Company's shares are listed, such as the *HKEX Listing Rules*, and complete necessary reports or announcements.

PROPOSALS AND NOTICES OF SHAREHOLDERS' MEETINGS

The content of a proposal shall fall within the scope of authority of the shareholders' meeting, have a clear topic and specific matters for resolution, and comply with the relevant provisions of laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the place where the Company's shares are listed, as well as the Articles.

When the Company convenes a shareholders' meeting, the Board, the Audit Committee, and shareholders who individually or collectively hold one percent (1%) or more of the voting shares of the Company shall have the right to submit proposals to the Company.

Shareholders who individually or collectively hold one percent (1%) or more of the voting shares of the Company may submit interim proposals in writing to the convener ten (10) days prior to the convening of the shareholders' meeting. Interim proposals shall have a clear topic and specific matters for resolution. The convener shall, within two (2) days upon receipt of the proposal, issue a supplementary notice of shareholders' meeting, announce the content of the interim proposal, and submit such interim proposal to the shareholders' meeting for consideration; provided, however, that this shall not apply where the interim proposal violates the provisions of laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the place where the Company's shares are listed, or the Articles, or does not fall within the scope of authority of the shareholders' meeting.

Except as provided in the preceding paragraph, the convener shall not modify any proposal already listed in the notice of shareholders' meeting or add any new proposal after issuing the notice of shareholders' meeting.

The shareholders' meeting shall not vote on or make resolutions regarding any proposal not listed in the notice of shareholders' meeting or not in compliance with the Articles.

The convener(s) shall, by public announcement, give a notice of meeting to all shareholders no later than twenty days before the date of the shareholders' meeting (in the case of an annual shareholders' meeting), or no later than fifteen days before the date of the shareholders' meeting (in the case of an interim shareholders' meeting). In each case, the date of the shareholders' meeting shall be excluded.

The notice of a shareholders' meeting shall include:

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

(2) business(es) to be transacted and proposal(s) put into discussion at the meeting;

(3) a conspicuous statement that all shareholders are entitled to attend the shareholders' meeting and vote thereat in person or by proxy (in which case such proxy must be granted a written Instrument of Appointing a Proxy, while he need not be a shareholder);

(4) the Record Date of shareholders entitled to attend the meeting;

(5) name(s) and phone number(s) of meeting contact(s);

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

(7) Other requirements stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

The notice (and supplementary notice) of a shareholders' meeting shall specify all the specific businesses to be transacted contained in any proposal in sufficient detail. If any business to be transacted thereat requires an opinion from any independent non-executive director, the notice (or supplementary notice) of the shareholders' meeting shall be given together with a statement of the opinion from such independent non-executive director and the reasons therefor.

The interval between the Record Date and the meeting date shall not exceed seven working days. The Record Date, if confirmed, shall not be changed.

If the election of directors will be discussed at a shareholders' meeting, the notice of the shareholders' meeting shall disclose the information about any director candidate in sufficient detail, including but not limited to:

(1) his personal information including educational background, career experience, concurrent service, etc.;

(2) whether he is connected (or associated) with the Company or any controlling shareholder or actual controller of the Company;

(3) numbers of shares held by him in the Company;

(4) whether he has been subject to any administrative penalties by the CSRC and any other regulatory authority or any disciplinary punishments from any stock exchange; and

(5) where he meets other qualifications stipulated by laws, administrative regulations, the *HKEX Listing Rules*, her regulatory rules of the jurisdiction where the Company's shares are listed.

Each director candidate shall be nominated with a separate proposal.

Once the notice of a shareholders' meeting is duly given, the shareholders' meeting shall not be adjourned or cancelled without justifiable reasons, nor shall any proposal specified in such notice be cancelled. In the event of any adjournment or cancellation, the convener(s) shall, no later than two working days before the scheduled date of the meeting, make a public announcement, explaining the reasons therefor. In the case of any special provisions in the securities regulatory rules of the jurisdiction where the Company's shares are listed governing the procedures for adjourning or cancelling a shareholders' meeting, such provisions shall apply with priority; provided ALWAYS that such provisions are not contrary to domestic regulatory requirements.

HOLDING OF SHAREHOLDERS' MEETINGS

All shareholders duly registered on the Record Date or their proxies are entitled to attend a shareholders' meeting, speak and exercise voting rights in accordance with relevant laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

Shareholders may attend the shareholders' meeting in person or appoint a proxy to attend, speak, and vote on their behalf. Such proxy need not be a shareholder of the Company.

All directors and the Board Secretary shall attend any shareholders' meeting, and the General Manager and other senior executives shall attend the meeting as non-voting observers.

A shareholders' meeting shall be presided over by the Board Chairman. If the Board Chairman fails or omits to perform his duties in respect of meeting-presiding, the meeting shall be presided over by a director elected by at least majority of directors.

An interim shareholders' meeting convened by the Audit Committee in lieu of the Board shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee fails or omits to perform his duties in respect of meeting-presiding, the meeting shall be presided over by a member of the Audit Committee elected by at least majority of the members of the Audit Committee.

An interim shareholders' meeting convened by any eligible shareholder(s) in lieu of the Board shall be presided over by the convening shareholder or a representative nominated among such shareholders.

If, during a shareholders' meeting, the chairman of the meeting violates any of the rules of procedure, resulting in the meeting's failing to proceed, then, with the consent of at least majority of the shareholders entitled to be present and vote thereat, a new chairman may be elected among them.

The Company shall formulate rules of procedure for shareholders' meetings, detailing the procedures for convening and voting at such meetings, including notice, registration, consideration of proposals, voting, counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, etc., as well as the principles for authorization by the shareholders' meeting to the board of directors, with the authorized content being clear and specific. The rules of procedure for shareholders' meetings shall be attached as an appendix to the Articles of Association, formulated by the board of directors, and approved by the shareholders' meeting.

At an annual shareholders' meeting, the Board shall address the Board Report for the preceding year, and each independent non-executive director shall address his Performance Review Report.

Directors and senior executives shall explain with respect to inquiries and suggestions from shareholders at the shareholders' meeting.

The moderator of the meeting shall, before voting, announce the number of shareholders and their proxies present at the meeting as well as the total shares held with voting rights. The number of shareholders and their proxies present, as well as the total shares held with voting rights shall be subject to that registered at the meeting.

Minutes shall be kept for shareholders' meetings, and the Board Secretary shall be responsible for them.

The convener(s) shall ensure that the contents of the meeting minutes are true, accurate and complete. The directors, the Board Secretary, the convener(s) or their representative(s) and the chairman of the meeting present thereat shall sign the meeting minutes. The meeting minutes shall be kept together with the meeting attendance book, the Instruments of Appointing a Proxy, the valid records of voting (online and by other means) for ten years.

The convener(s) shall ensure that a shareholders' meeting is held without interruption until a final resolution is made. If a shareholders' meeting is suspended or a resolution fails to be made at the meeting for unexpectable reasons (including any force majeure event), necessary measures shall be taken to resume the meeting as soon as possible or immediately end the meeting, and a prompt announcement or notification shall be made as required by applicable laws, administrative regulations, departmental rules, the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed.

VOTING AND RESOLUTION AT SHAREHOLDERS' MEETINGS

Resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

An ordinary resolution of the shareholders' meeting shall be passed by a majority of the voting rights held by the shareholders present at the meeting (including proxies).

A special resolution of the shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting (including proxies).

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

(1) Work report of the board of directors;

(2) Profit distribution plan and loss recovery plan formulated by the board of directors;

(3) Appointment and removal of Board members, and their remuneration and payment methods;

(4) to resolve on the appointment and dismissal of the external auditor of the Company;

(5) Other matters except those that shall be passed by a special resolution according to laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association.

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

(1) Increase or reduction of the Company's registered capital;

(2) Division, split, merger, dissolution, and liquidation of the Company;

(3) Amendment of the Articles of Association;

(4) Purchase or sale of significant assets or guarantee amounts exceeding thirty percent of the Company's latest audited total assets within one year;

(5) Equity incentive plans;

(6) Matters specified in the Company's management systems (as adopted by the general meeting) as requiring approval by special resolution of the general meeting.

(7) Other matters stipulated by laws, administrative regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association, and matters determined by the shareholders' meeting by ordinary resolution to have a significant impact on the Company and requiring a special resolution.

If at any time the share capital of the Company is divided into different classes of shares, any proposed variation or abrogation of the rights attached to any class of shares shall require the passing of a special resolution by the holders of the affected class of shares at a separate general meeting convened for that purpose.

Shareholders (including their proxies) shall exercise their voting rights in respect of the number of voting shares held by (or on behalf of) them, with each share entitled to one vote.

The shares held by the Company itself carry no voting rights, and such shares shall not be counted in the total number of voting shares present at a shareholders' meeting.

Pursuant to the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed, where any shareholder is required to abstain from voting on a resolution or is restricted to voting only for or against a resolution, any votes cast by such shareholder or its representative in breach of such requirement or restriction shall not be counted towards the total number of voting shares.

The Board, any independent non-executive director, any shareholder(s) holding one percent or more of voting shares or an investor protection institution established as required by applicable laws, administrative regulations or the departmental rules of the CSRC may publicly solicit shareholder voting rights. The solicitation of shareholder voting rights shall involve sufficient disclosure of information, such as specific voting intentions, to any person being solicited. It is prohibited to solicit shareholder voting rights in exchange for consideration (or disguised consideration). The solicitation of voting rights shall not be subject to any minimum shareholding restrictions imposed by the Company, while being governed by certain statutory conditions.

If a shareholder is connected (or associated) with any business to be transacted at a shareholders' meeting, it/he shall recuse itself/himself from voting on such business (and the voting shares held by it/him shall not be included in the total number of effective votes), nor may it/he exercise voting rights on behalf of any other shareholder. The announcement of the shareholder resolution shall fully disclose the voting of non-connected (or non-associated) shareholders.

The list of director candidates shall be submitted to the shareholders' meeting for voting by way of a proposal.

When voting for the election of directors at the shareholders' meeting, cumulative voting may be implemented according to the provisions of the Articles of Association or a resolution of the shareholders' meeting.

When electing two or more independent non-executive directors at the shareholders' meeting, cumulative voting shall be implemented.

When the shareholders' meeting elects directors by cumulative voting, voting for independent non-executive directors and other directors shall be conducted separately, and the directors shall be determined in descending order based on the number of votes obtained according to the number of directors to be elected. When cumulative voting is not used for electing directors, each director candidate shall be proposed as a separate proposal. The term "cumulative voting system" referred to in this Article means that when electing directors at the shareholders' meeting, each share carries a number of votes equal to the number of directors to be elected, and shareholders may cast all their votes to one candidate.

Except when the cumulative voting system is implemented, all proposals shall be put into voting at a shareholders' meeting on a case-by-case basis. In the case of different proposals on the same business to be transacted, voting on such proposals shall be conducted in the chronological order in which the proposals are made. Unless a shareholders' meeting is suspended or a resolution fails to be made at the meeting for unexpected reasons (including any force majeure event), no proposal made at the shareholders' meeting will be set aside or intentionally left unvoted.

No proposal under consideration at a shareholders' meeting will be amended, otherwise, the relevant amendment shall be deemed as a new proposal, which shall not be voted at the shareholders' meeting.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be natural persons. Anyone who is under any of the following circumstances shall not serve as a director of the Company:

(1) he/she has no civil capacity or has restricted civil capacity;

(2) Those who have been sentenced to criminal punishment for embezzlement, bribery, conversion of property, misappropriation of property, or disrupting the market economic order, with the execution period expired for less than five years, or those deprived of political rights for a crime, with the execution period expired for less than five years, or those sentenced to probation, with less than two years having elapsed since the expiration of the probation period;

(3) he/she served as a director, factory director, manager of a company or enterprise subject to bankruptcy liquidation, and was personally liable for the bankruptcy of such company or enterprise, and not more than 3 years have elapsed since the date of completion of the bankruptcy liquidation of the company or enterprise;

(4) he/she served as a legal representative of a company or enterprise, whose business license was revoked or which was ordered to close down due to a violation of the law, and was personally liable, and not more than 3 years have elapsed since the date of revocation of the business license or closure of the company or enterprise;

(5) he/she is listed as a dishonest person subject to enforcement by the people's court due to a relatively large amount of outstanding personal debt;

(6) Those subject to a market entry ban by the CSRC or the Hong Kong Stock Exchange, and the ban period has not expired;

(7) Those deemed by the securities regulatory rules of the jurisdiction where the Company's shares are listed to be unsuitable for serving as a director or senior executive of a listed company, and the relevant period has not expired;

(8) Other circumstances stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the jurisdiction where the Company's shares are listed.

In the case of an election or appointment of a director that contravenes this Article, such election, appointment or engagement is invalid. If any director falls under the circumstances of this Article during the term of office, the Company will remove him/her from office and stop his/her performance of duties.

Non-employee directors are elected or replaced by a shareholders' meeting and may be removed from office by the shareholders' meeting before the expiry of term of office. The term of office of a director is 3 years. A director may be re-elected for consecutive terms upon expiry of his/her term of office.

The term of office of a director shall be calculated from the date of taking office until the term of the current Board expires. If directors are not re-elected in a timely manner upon the expiration of their term, the original directors shall continue to perform their duties as directors in accordance with laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association until the newly elected directors take office. Any director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall be eligible for re-election at such meeting.

Any person appointed by the Board to fill a casual vacancy on the Board or as an addition to the Board shall hold office only until the next annual shareholders' meeting of the Company following their appointment and shall then be eligible for re-election.

Senior executives may serve as directors concurrently, provided that the aggregate number of directors concurrently serving as senior executives, together with directors who are employee representatives may not exceed 50% of the total number of directors of the Company.

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

(1) he/she may not embezzle company property or misappropriate company funds;

(2) he/she may not use his/her own name or other people's names to open accounts to deposit company funds;

(3) he/she may not use his/her own name or other people's names to open accounts to deposit company funds;

(4) he/she may not, directly or indirectly, enter into contracts or trade with the Company without reporting to the board of directors or shareholders' meeting and being approved by the board of directors or shareholders' meeting in accordance with the Articles of Association;

(5) he/she may not take advantage of position to seek business opportunities belonging to the Company for himself/herself or other people, except if reporting to the board of directors or shareholders' meeting and being approved by resolution at the shareholders' meeting, or if, according to the laws, administrative regulations or the Articles of Association, the Company cannot use such opportunity;

(6) he/she may not engage in the same type of business as that of the Company for himself/herself or other persons without reporting to the board of directors or shareholders' meeting, and after being approved by resolution at the shareholders' meeting;

(7) he/she may not accept commissions on transactions between other persons and the Company as his/her own;

(8) he/she may not disclose company secrets without authorization;

(9) Not to use their connected (or associated) relationships to harm the interests of the Company;

(10) Other duties of loyalty stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

Any income obtained by a director in violation of this Article shall belong to the Company; if losses are caused to the Company, he/she shall bear liability for compensation.

Directors shall abide by laws, administrative regulations, other regulatory rules of the jurisdiction where the Company's shares are listed and the Articles of Association, and owe the following duties of diligence to the Company:

(1) he/she shall be careful, serious and diligent in exercising his/her rights conferred by the Company, in order to ensure that the business activities of the Company comply with the laws, administrative regulations and various economic policies of the State; and that the business activities do not exceed the scope of business specified by the business license;

(2) he/she shall treat all shareholders fairly;

(3) he/she shall understand the operation and management of the Company business in a timely manner;

(4) Sign written confirmation opinions on periodic reports of the Company. Ensure that the information disclosed by the Company is true, accurate and complete;

(5) Truthfully provide relevant information and materials to the Audit Committee and shall not obstruct the Audit Committee from exercising its functions and powers;

(6) Other duties of diligence stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

A director who fails to attend Board meetings in person twice consecutively nor appoint another director to attend on his behalf shall be deemed unable to perform his duties. The board of directors shall make recommendations to the shareholders' meeting to replace such director. Subject to compliance with the securities regulatory rules of the jurisdiction where the Company's shares are listed, directors who attend Board meetings via the internet, video, telephone or other means of equivalent effect shall also be deemed to have attended in person.

A director may resign before the expiration of his term. The resignation of any director shall be made by submitting a written resignation report to the board of directors.

Except for the circumstances listed in this paragraph, the resignation shall take effect on the date the Company receives the resignation report, and the board of directors will disclose the relevant information within two days:

(1) When a director's resignation causes the number of directors of the Company to fall below the statutory minimum (including less than three independent non-executive directors);

(2) When the resignation of an independent non-executive director causes the number of independent non-executive directors to be less than one-third of the Board members or there is no independent non-executive director with appropriate professional qualifications or appropriate accounting or related financial management expertise.

Under the above circumstances, the original directors shall continue to perform their duties as directors in accordance with laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association until the newly elected directors take office.

In case of the circumstances in the second paragraph, the Company must immediately notify the Hong Kong Stock Exchange and publish an announcement disclosing the relevant details and reasons. The original nominator of such independent non-executive director or the Company's board of directors shall nominate a new candidate for independent non-executive director within the period stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, and other regulatory rules of the jurisdiction where the Company's shares are listed.

If relevant laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, or other regulatory rules of the jurisdiction where the Company's shares are listed have other provisions regarding matters related to directors, such provisions shall prevail.

When a director's resignation takes effect or his term expires, he shall complete all handover procedures with the board of directors. The director's duty of loyalty to the Company and shareholders shall not automatically terminate upon the expiration of his term. The resigning director's duty of confidentiality regarding the Company's trade secrets remains effective after resignation until such secrets become public information; the duration of other duties of loyalty shall be determined based on the principle of fairness, taking into account the specific circumstances of the matter. If the director and the Company have reached an agreement on the performance of duties of loyalty, such agreement shall prevail.

Without authorization under the Articles of Association or legal authorization from the board of directors, no director shall represent the Company or the board of directors in his individual capacity. When a director acts in his individual capacity, and a third party reasonably believes that the director is acting on behalf of the Company or the board of directors, the director shall declare his position and identity in advance.

If any director, while performing duties for the Company, violates laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the place where the Company's shares are listed, or the Articles of Association, causing losses to the Company, he shall be liable for compensation.

BOARD OF DIRECTORS

The Company shall establish a board of directors, which shall be accountable to the shareholders' meeting.

The board of directors shall consist of nine directors, of which three shall be independent non-executive directors. The board of directors shall have a chairman.

The board of directors shall perform the following functions:

(1) Convening shareholders' meeting and reporting its work to the shareholders' meeting;

(2) Implementing resolutions of the shareholders' meeting;

(3) Determining the operational plans and investment plans of the Company;

(4) Formulating profit distribution plans and loss recovery plans of the Company;

(5) To formulate plans for increasing or decreasing the Company's registered capital, issuing bonds or other securities, and listing plans;

(6) To formulate plans for major acquisitions, repurchasing the Company's shares, or merger, division, dissolution, and change of company form;

(7) To decide on matters within the scope authorized by the shareholders' meeting, such as the Company's external investments, purchase and sale of assets, asset pledges, external guarantees, entrusted financial management, connected (or associated) transactions, and external donations;

(8) Determining the establishment of the internal management bodies of the Company;

(9) To decide on the appointment or dismissal of the Company's General Manager, Board Secretary, and other senior executives, and decide on their remuneration and rewards/punishments; based on the General Manager's nomination, to decide on the appointment or dismissal of the Company's deputy manager(s), person in charge of finance, and other senior executives, and decide on their remuneration and rewards/punishments;

(10) To formulate the basic management systems of the Company;

(11) To formulate plans for amending the Articles of Association;

(12) To manage information disclosure matters of the Company;

(13) To propose to the shareholders' meeting the engagement or replacement of the accounting firm auditing the Company;

(14) To listen to the work report of the Company's General Manager and inspect the General Manager's work;

(15) Other functions and powers stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, the Articles of Association, or granted by the shareholders' meeting.

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

The Company may apply for financing from banks and other financial institutions, including but not limited to handling specific financing businesses such as credit facilities, loans, acceptance bills, letters of guarantee, letters of credit, etc. The aforementioned matters shall be considered by the Company's board of directors. If the board of directors has considered and approved the annual financing limit, the Company may arrange specific financing matters within that limit for the year based on production and operation needs without further submitting each individual financing matter to the board of directors for consideration; financing matters exceeding the annual limit shall be separately subject to the internal decision-making procedures stipulated in the Articles of Association. If the Company borrows funds from non-financial institutions and other legal entities, it shall comply with the internal decision-making procedures mutatis mutandis as stipulated in the preceding sentence of this paragraph.

The board of directors shall establish an Audit Committee, which shall exercise the functions and powers of the board of supervisors as stipulated in the *Company Law*. In addition to the Audit Committee, the Board may establish other special committees such as the Nomination Committee, the Remuneration and Appraisal Committee (if required). Members of each special committees of the Board shall be determined by the board of directors through election.

The special committees shall be accountable to the board of directors, perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The members of the special committees shall all be directors, and the specific composition and qualification requirements shall be subject to the *Company Law* and other laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, and other regulatory rules of the jurisdiction where the Company's shares are listed. The board of directors shall be responsible for formulating working rules for the special committees to regulate their operation.

The board of directors shall provide an explanation to the shareholders' meeting regarding any modified audit opinion issued by the certified public accountants on the Company's financial reports.

The board of directors shall formulate rules of procedure for Board meetings to ensure that the Board implements resolutions of the shareholders' meeting, improves its work efficiency, and guarantees scientific decision-making. The rules of procedure for Board meetings shall be attached as an appendix to the Articles of Association, formulated by the board of directors, and approved by the shareholders' meeting.

The board of directors shall determine the limits of authority for external investments, purchase and sale of assets, asset pledges, external guarantees, entrusted financial management, connected (or associated) transactions, external donations, etc., and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professionals and submitted to the shareholders' meeting for approval. For transactions or matters of the Company that shall be submitted to the board of directors for consideration as stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, and other regulatory rules of the jurisdiction where the Company's shares are listed, the corresponding provisions shall be followed.

The chairman of the Board shall be elected by a majority vote of all directors.

The chairman of the Board shall exercise the following functions and powers:

(1) To preside over shareholders' meetings and convene and preside over Board meetings;

(2) To supervise and inspect the implementation of Board resolutions;

(3) To sign important documents of the board of directors or other documents to be signed by the Company's legal representative;

(4) To exercise the functions and powers of the legal representative;

(5) Other functions and powers stipulated by laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, the Articles of Association, or granted by the board of directors.

If the Board Chairman fails or omits to perform his duties in respect of convening and presiding board meetings, such meeting shall be convened and presided over by a director elected by at least a majority of the directors.

The board of directors shall hold at least four regular meetings each year, convened by the Chairman, at least fourteen days before the meeting, a notice of meeting in writing shall be given by written notice, mail, facsimile, email, or personal delivery.

To convene an interim board meeting, the Office of the Board shall, no later than two days before the meeting (the date of the meeting excluded), give a notice of meeting in writing by written notice, mail, facsimile, email, or personal delivery. If the notice of meeting is not delivered to a director directly, the receipt of such notice shall be confirmed by telephone and recorded accordingly. If, in case of emergency, an interim Board meeting needs to be convened as soon as possible, the notice of meeting may be given by telephone or other oral means at any time, which may not be subject to the above notice period, but the convener(s) shall make an explanation therefor at the meeting.

Any shareholder(s) representing at least one-tenth of the voting rights, at least one-third of the directors, the Audit Committee, the Board Chairman, or at least a majority of independent non-executive directors may request to convene an interim Board meeting. The Chairman shall convene and preside over the Board meeting within ten days of receiving such request.

A board meeting may be held only if a majority of the directors (including their proxies) are present. Resolutions of the board of directors must be passed by a majority of all directors. If relevant laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, or other regulatory rules of the jurisdiction where the Company's shares are listed have other provisions regarding matters related to Board resolutions, such provisions shall prevail.

At a board meeting, each director shall have one vote. When the number of dissenting votes equals the number of affirmative votes for a proposal, the Board may reconsider and vote on the matter again; if parity occurs three consecutive times, the matter shall be submitted to the shareholders' meeting for consideration.

If a director is connected (or associated) with any matter to be transacted at a Board meeting, he shall recuse himself from voting on such matter, nor may he exercise voting rights on behalf of any other director. Such a Board meeting may be held with the attendance of more than half of the unconnected (or unassociated) directors, and the resolution made at the meeting must be passed by a majority or more than two-thirds (as the case may be) of the unconnected (or unassociated) directors. If the number of unconnected (or unassociated) directors present at the meeting is less than three, the matter shall be submitted to the shareholders' meeting for consideration.

At a board meeting, the votes shall be cast by open ballot with written records.

Generally, a board meeting shall be held on site. If necessary, without prejudice to a reasonable opportunity of a director to truthfully express his opinions, and subject to the regulatory rules of the jurisdiction where the Company's shares are listed, a Board meeting may also be held by video, telephone, fax or e-mail with the consent of the convener(s). If a Board meeting is not held on site, the number of directors present shall be calculated based on the attending directors displayed in the meeting video, the directors shown as participating in the telephone conference system, the number of valid votes contained in a fax or e-mail actually received within the specified period, or valid proof of attendance submitted by directors after the meeting.

In the case of voting by electronic communications, a director shall fax, e-mail or otherwise send his written opinion and voting intention on any proposal to be considered to the Board (with his signature thereon), whereby the Board may calculate the voting results and prepare a board resolution.

Directors shall attend board meetings in person; where a director is unable to attend a board meeting for some reason, he/she may entrust another director in writing to attend the meeting on his/her behalf. The power of attorney shall state the name of the proxy, the matters to be represented, the scope of authorization and the validity period, and the entrusting party shall sign or affix seal thereto. The director who attends the meeting as a proxy shall exercise the director's rights within the scope of authorization. Where a director neither attends a board meeting nor appoints a proxy to attend on his/her behalf, he/she shall be deemed to waive his/her voting rights at the said meeting. No director may accept a proxy to attend a Board meeting on behalf of more than two directors at a single Board meeting. If a connected (or associated) transaction is to be considered at the meeting, a non-connected (or non-associated) director may not authorize a connected (or associated) director to be his proxy.

The board of directors shall prepare minutes regarding the decisions on the matters discussed at the meeting, which shall be affixed with the signatures of the directors present at the meeting.

The minutes shall be kept as company files for a period of 10 years.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-executive directors must remain independence. The following persons shall not serve as independent non-executive directors:

(1) Persons holding positions in the Company or its affiliated enterprises, and their spouses, parents, children and major social relations;

(2) Natural person shareholders directly or indirectly holding more than one percent or more of the Company's issued shares, or who are among the top ten shareholders of the Company, and their spouses, parents and children;

(3) Persons holding positions in a shareholder directly or indirectly holding five percent or more of the Company's issued shares, or among the top five shareholders of the Company, and their spouses, parents and children;

(4) Persons holding positions in affiliated enterprises of the Company's controlling shareholder or actual controller, and their spouses, parents and children;

(5) Persons having material business dealings with the Company, its controlling shareholder, actual controller, or their respective affiliated enterprises, or persons holding positions in entities with which the Company has material business dealings, or in the controlling shareholder or actual controller of such entities;

(6) Persons providing financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholder, actual controller, or their respective affiliated enterprises, including but not limited to all project team members, reviewers at all levels, persons signing reports, partners, directors, senior executives, and key responsible persons of the intermediary institutions providing the services;

(7) Persons who have had any of the circumstances listed in items (1) to (6) within the last twelve months;

(8) Other persons who do not possess independence as stipulated by laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

Independent non-executive directors shall conduct an annual self-assessment of their independence and submit the self-assessment result to the board of directors. The board of directors shall assess the independence of the incumbent independent non-executive directors annually and issue a special opinion, which shall be disclosed simultaneously with the annual report.

To serve as an independent non-executive director of the Company, a person shall meet the following conditions:

(1) Possess the qualifications to serve as a director of a listed company in accordance with laws, administrative regulations and other relevant regulations;

(2) Meet the independence requirements stipulated in the Articles of Association;

(3) Possess basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations and rules;

(4) Have more than five years of experience in law, accounting, economics or other fields necessary for performing the duties of an independent non-executive director;

(5) Possess good personal moral character and have no adverse records such as major breaches of trust;

(6) Other conditions stipulated by laws, administrative regulations, the CSRC, the Hong Kong Stock Exchange, and the Articles of Association.

Independent non-executive directors, as members of the board of directors, owe duties of loyalty and diligence to the Company and all shareholders, and shall prudently perform the following duties:

(1) Participate in the decision-making of the board of directors and express clear opinions on matters discussed;

(2) Supervise matters involving potential significant conflicts of interest between the Company and its controlling shareholder, actual controller, directors and senior executives, protecting the legitimate rights and interests of minority shareholders;

(3) Provide professional and objective advice on the Company's business development, promoting the improvement of the board's decision-making level;

(4) Other duties stipulated by laws, administrative regulations, the CSRC, the Hong Kong Stock Exchange, and the Articles of Association.

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

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

(2) Propose to the board of directors the convening of an interim shareholders' meeting;

(3) Propose the convening of a board meeting;

(4) Publicly solicit shareholders' rights from shareholders according to law;

(5) Express independent opinions on matters that may harm the rights and interests of the Company or minority shareholders;

(6) Other and powers stipulated by laws, administrative regulations, the CSRC, the Hong Kong Stock Exchange, and the Articles of Association.

The exercise of the powers set out in items (1) to (3) of the preceding paragraph by an independent non-executive director shall be subject to the consent of more than half of all independent non-executive directors.

When an independent non-executive director exercises the powers set out in the first paragraph, the Company will disclose in a timely manner. If these powers cannot be exercised normally, the Company will disclose the specific circumstances and reasons.

The following matters shall be submitted to the board of directors for consideration only after obtaining the consent of more than half of all independent non-executive directors of the Company:

(1) Connected transactions that should be disclosed;

(2) Plans for the Company and related parties to change or waive commitments;

(3) Decisions made and measures taken by the board of directors of an offeree listed company regarding a takeover offer;

(4) Other matters stipulated by laws, administrative regulations, the CSRC, the Hong Kong Stock Exchange, and the Articles of Association.

The Company shall establish a special meeting mechanism composed entirely of independent non-executive directors. When the board of directors considers matters such as connected transactions, they shall be pre-approved by a special meeting of independent non-executive directors.

The Company shall hold special meetings of independent non-executive directors periodically or non-periodically. The matters set out in items (1) to (3) of paragraph 1 of Article 135 and Article 136 of the Articles of Association shall be considered by a special meeting of independent non-executive directors.

The special meeting of independent non-executive directors may study and discuss other matters of the Company as needed.

The special meeting of independent non-executive directors shall be convened and presided over by an independent non-executive director jointly recommended by more than half of the independent non-executive directors; if the convener fails to perform or is unable to perform his duties, two or more independent non-executive directors may convene the meeting themselves and recommend a representative to preside over the meeting.

Minutes shall be prepared for the special meeting of independent non-executive directors in accordance with regulations, and the opinions of independent non-executive directors shall be recorded in the minutes. Independent non-executive directors shall sign the minutes for confirmation.

SENIOR EXECUTIVES

The Company shall have a manager, a person in charge of finance and a Board Secretary, who shall be appointed or dismissed by resolutions of the board of directors.

The senior executives of the Company are the manager, the person in charge of finance and other senior executives recognized by the board of directors of the Company.

The provisions of the Articles of Association on inappropriate candidates for directors shall also apply to senior executives.

The provisions of the Articles of Association on the duties of loyalty and diligence of directors shall also apply to senior executives.

Persons who hold administrative positions other than directors and supervisors in the Company's controlling shareholders shall not be appointed as senior executives of the Company. Senior executives shall only receive their salary from the Company, and the salary is not paid by the controlling shareholder on behalf of the Company.

The General Manager shall have a term of three years and may serve consecutive terms if reappointed.

The General Manager shall be responsible to the board of directors and may exercise the following functions and powers:

(1) Preside over the production and operation management of the Company, organize the implementation of board resolutions, and report on work to the board of directors;

(2) Implementing the annual operation plan and investment plan of the Company;

(3) Drawing up the setup plan of the internal management bodies of the Company;

(4) Drawing up the basic management policies of the Company;

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

(6) Propose to the board of directors the appointment or dismissal of the Company's deputy manager(s), person in charge of finance, Board Secretary, and other senior executives;

(7) Decide on the appointment or dismissal of management personnel other than those whose appointment or dismissal shall be decided by the board of directors.

(8) Examine and approve general connected (or associated) transactions other than those that require submission to the board of directors or shareholders' meeting for approval under the Articles of Association;

(9) Examine and approve other major transactions, external investments, external guarantees, etc., other than those that require submission to the board of directors or shareholders' meeting for approval under laws, regulations, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association;

(10) Decide on the establishment of wholly-owned subsidiaries and/or branches by the Company;

(11) Other functions and powers stipulated by the Articles of Association, the securities regulatory rules of the jurisdiction where the Company's shares are listed, or granted by the board of directors.

The General Manager shall attend Board meetings as a non-voting observer.

The General Manager shall formulate working rules for the General Manager, which shall be reported to the board of directors for approval before implementation.

The working rules for the General Manager shall include the following:

(1) Conditions, procedures and participants for convening the General Manager's working meetings;

(2) The specific responsibilities and division of labor among the General Manager and other senior executives;

(3) The authority limits for the Company's use of funds and assets, entering into major contracts, and the reporting system to the board of directors;

(4) Other matters deemed necessary by the board of directors.

The General Manager may resign before the expiration of his term. The specific procedures and methods for the General Manager's resignation shall be stipulated in the labor contract between the General Manager and the Company.

The Company shall have a Board Secretary, responsible for preparing shareholders' meetings and board meetings, document preservation, managing shareholder information, handling information disclosure, and investor relations management.

The Board Secretary shall abide by the relevant provisions of laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

If any senior executive, while performing duties for the Company, violates laws, administrative regulations, departmental rules, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association, causing losses to the Company, he shall be liable for compensation.

The senior executives of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior executive fails to faithfully perform his duties or violates his fiduciary duties, causing harm to the interests of the Company and shareholders, he shall be liable for compensation according to law.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Financial and Accounting System and Profit Distribution

The Company shall publish financial reports prepared in accordance with International Financial Reporting Standards or Hong Kong Financial Reporting Standards twice per fiscal year, namely: (i) the annual financial report within four (4) months after the end of each fiscal year; and (ii) the interim financial report within three (3) months after the end of the first six (6) months of each fiscal year.

The Company shall not maintain any accounting books other than those required by law. The Company's funds shall not be deposited in any account opened in an individual's name.

When distributing the after-tax profits of the current year, the Company shall allocate ten percent of the profits to the statutory common reserve of the Company. If the accumulated amount of the Company's statutory common reserve reaches fifty percent or more of the Company's registered capital, further allocations may be discontinued. If the Company's statutory common reserve is insufficient to cover losses from prior years, the profits of the current year shall first be used to cover the losses before allocating to the statutory common reserve in accordance with the preceding paragraph.

After allocating to the statutory common reserve from the after-tax profits, the Company may, by a resolution of the shareholders' meeting, allocate to a discretionary common reserve from the after-tax profits.

The remaining after-tax profits after covering losses and allocating to reserve funds shall be distributed to shareholders in proportion to the shares they hold, unless otherwise unanimously agreed by all shareholders. If the Company distributes profits to shareholders in violation of the preceding provisions, the shareholders shall return the profits distributed in violation to the Company; if losses are caused to the Company, the shareholders and responsible directors and senior executives shall be liable for compensation. The shares held by the Company itself shall not participate in profit distribution.

The Company's reserves shall be used to cover its losses, expand its production and business, or increase its registered capital. For making up losses of the Company by the reserve fund, the discretionary reserve fund and legal reserve fund shall first be used; where the deficit remains, the capital reserve may be used pursuant to the provisions. Where the legal reserve fund is converted to additional registered capital, the remaining reserve fund shall not be less than 25% of the Company's registered capital prior to the conversion.

After a shareholders' meeting adopts a resolution on the profit distribution plan, the Company's board of directors must complete the distribution of dividends (or shares) within two months after the shareholders' meeting.

The Company's profit distribution policy is as follows: The Company's profit distribution shall fully emphasize returns to investors, maintain the continuity and stability of the profit distribution policy, while taking into account the Company's long-term interests, the overall interests of all shareholders, and the Company's sustainable development, and shall comply with relevant provisions of laws, administrative regulations, rules, normative documents, the *HKEX Listing Rules*, other regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

INTERNAL AUDIT

The Company shall implement an internal audit system, equipped with full-time audit personnel, to conduct internal audit supervision over the Company's financial revenues and expenditures and economic activities.

The Company's internal audit system and the duties of audit personnel shall be implemented upon approval by the board of directors. The person in charge of audit shall be responsible to and report his work to the board of directors.

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

Merger, Division, Increase of Capital, and Reduction of Capital

A merger of the Company may take the form of absorption merger or consolidation by new establishment. An absorption merger involves one company absorbing another, and the absorbed company is dissolved. A consolidation by new establishment involves two or more companies merging to establish a new company, and all parties to the merger are dissolved.

If the Company merges with a company in which it holds ninety percent or more of the shares, the absorbed company will not need a resolution of its shareholders' meeting, but other shareholders shall be notified and have the right to request the Company to purchase their shares or equity at a reasonable price. If the consideration paid for the merger does not exceed ten percent of the Company's net assets, the merger may be implemented without a resolution of the shareholders' meeting; unless otherwise provided in the Articles of Association. If a merger is implemented in accordance with the preceding two paragraphs without a resolution of the shareholders' meeting, it shall be considered and approved by a resolution of the Board.

In the event of a merger, the parties involved shall enter into a merger agreement and prepare a balance sheet and a detailed inventory of properties. The Company shall, within ten days of adopting the merger resolution, notify its creditors and, within thirty days, make an announcement in a newspaper recognized by the local administrative authority for industry and commerce or on the National Enterprise Credit Information Publicity System. Creditors who receive the notice within thirty days, or creditors who do not receive the notice within forty-five days of the announcement, may demand that the Company settle its debts or provide corresponding security.

Upon a merger, the claims and debts of all parties to the merger shall be assumed by the company surviving the merger or the newly established company.

In the event of a division, the Company's property shall be divided accordingly. In the event of a division, the Company shall prepare a balance sheet and a detailed inventory of properties. The Company shall, within ten days of adopting the division resolution, notify its creditors and, within thirty days, make an announcement in a newspaper recognized by the local administrative authority for industry and commerce or on the National Enterprise Credit Information Publicity System. The debts of the Company prior to its division shall be borne jointly and severally by the companies resulting from the division, unless a written agreement on debt settlement reached between the Company and its creditors prior to the division provides otherwise. Where the Company needs to reduce its registered capital, it must prepare a balance sheet and a detailed inventory of properties.

The Company shall, within ten days of adopting the registered capital reduction resolution, notify its creditors and, within thirty days, make an announcement in a newspaper recognized by the local administrative authority for industry and commerce or on the National Enterprise Credit Information Publicity System. Creditors who receive the notice within thirty days, or creditors who do not receive the notice within forty-five days of the announcement, have the right to demand that the Company settle its debts or provide corresponding security.

The registered capital after the reduction shall not be less than the statutory minimum.

If there are still losses after the Company makes up losses in accordance with the Articles of Association or the *Company Law*, it may make up losses by reducing its registered capital. If the registered capital is reduced to make up losses, the Company shall not distribute to shareholders, nor shall it exempt shareholders from their obligation to pay capital contributions or subscription funds. If the registered capital is reduced for the purpose of making up losses, an announcement shall be made in a newspaper or on the National Enterprise Credit Information Publicity System within thirty days from the date the shareholders' meeting adopts a resolution to reduce the registered capital.

After the Company completes the capital reduction in accordance with the preceding two paragraphs of this Article, no profits shall be distributed until the cumulative amount of the statutory common reserve and discretionary common reserve reaches fifty percent of the Company's registered capital. If profits are distributed in violation of regulations, shareholders must return the relevant profits. If losses are caused to the Company, the shareholders and responsible directors and senior executives shall bear compensation liability.

In case of merger or division of the Company, if the registration items change, the Company shall handle the modification of registration with the company registration authority according to law; if the Company is dissolved, it shall handle the cancellation of registration according to law; if a new company is established, it shall handle the establishment registration according to law. If the Company increases or decreases its registered capital, it shall handle the modification of registration with the company registration authority according to law.

Dissolution and Liquidation

The Company shall be dissolved for any of the following reasons:

(1) Expiration of the business term stipulated in the Articles of Association or occurrence of another dissolution event stipulated in the Articles of Association;

(2) Resolution of the shareholders' meeting to dissolve;

(3) Necessity of merger or division of the Company;

(4) Revocation of business license, order to close, or being abolished according to law;

(5) If the Company experiences severe difficulties in management and operation, and its continued existence would cause significant losses to shareholders' interests and cannot be resolved through other means, shareholders holding more than ten percent of the voting rights of the Company may request the people's court to dissolve the Company.

Upon occurrence of a dissolution event as specified in the preceding paragraph, the Company shall, within ten days, publish the dissolution event on the National Enterprise Credit Information Publicity System.

If the Company has a circumstance described in paragraph 1, items (1) or (2) of Article 179 and has not yet distributed property to shareholders, it may continue to exist by amending the Articles of Association or by a resolution of the shareholders' meeting.

Amending the Articles of Association or adopting a resolution in accordance with the preceding paragraph shall require the approval of more than two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

If the Company is dissolved due to the circumstances described in paragraph 1, items (1), (2), (4), and (5) of Article 179 of the Articles of Association, a liquidation committee shall be established within fifteen days of the occurrence of the dissolution event to commence liquidation. The liquidation committee shall be composed of directors or personnel determined by the shareholders' meeting. If no liquidation committee is established within the time limit, the creditors may apply to the people's court for designating relevant personnel to form a liquidation committee for liquidation.

The liquidation committee shall, within ten days of its establishment, notify creditors and, within sixty days, make an announcement in a newspaper recognized by the local administrative authority for industry and commerce or on the National Enterprise Credit Information Publicity System. The creditors shall, within thirty days of receiving the notice, or within forty-five days of the announcement for those not receiving the notice, declare their claims to the liquidation committee.

When declaring a claim, the creditor shall provide relevant information and evidence. The liquidation committee shall register the claims. During the period of claim declaration, the liquidation committee shall not make payments to creditors.

After liquidating the Company's properties, preparing the balance sheet, and the detailed inventory of properties, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation. The remaining assets of the Company, after deducting liquidation expenses, employees' wages, social insurance premiums, statutory compensation, paying outstanding taxes, and settling the Company's debts, shall be distributed to shareholders in proportion to the shares they hold. During the liquidation period, the Company shall continue existence but shall not engage in any business activity unrelated to liquidation. The properties of the Company shall not be distributed to shareholders before being distributed in accordance with the preceding paragraph.

If, after liquidating the Company's properties, preparing the balance sheet, and the detailed inventory of properties, the liquidation committee discovers that the Company's properties are insufficient to cover its debts, it shall apply to the people's court for a declaration of bankruptcy according to law. After the people's court rules to declare the Company bankrupt, the liquidation committee shall transfer all liquidation matters to the people's court.

After the Company's liquidation is completed, the liquidation committee shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court for confirmation, and submit it to the company registration authority to apply for the cancellation of company registration and announce the termination of the Company.

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

AMENDMENT OF ARTICLES OF ASSOCIATION

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

(1) After the *Company Law* or relevant laws, administrative regulations, the *HKEX Listing Rules* and other regulatory rules of the jurisdiction where the Company's shares are listed are amended, the matters stipulated in the Articles of Association conflict with the amended laws, administrative regulations, the *HKEX Listing Rules*, or other regulatory rules of the jurisdiction where the Company's shares are listed;

(2) Circumstances of the Company change, inconsistent with the matters recorded in the Articles of Association;

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

If a matter amended in the Articles of Association by a resolution of the shareholders' meeting requires approval from the competent authority, it shall be submitted to the competent authority for approval; if it involves a company registration item, the modification of registration shall be handled according to law.

The board of directors shall amend the Articles of Association in accordance with the resolution of the shareholders' meeting to amend the Articles of Association and the approval opinions of the relevant competent authority.