This Appendix sets out the principal provisions of the Company's Articles of Association (the "**Articles of Association**"), which will take effect and be implemented from 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 potential investors with an overview of the Company's Articles of Association, and it does not contain all information that is material to potential investors.

ISSUANCE OF SHARES

The shares of the Company shall be issued in accordance with the principles of openness, fairness and impartiality, and each share of the same class shall have equal rights. Each share of the same class issued at the same time shall be issued on the same terms and at the same price; any subscriber shall pay the same price per share for the subscription of shares. All the shares issued by the Company shall be ordinary shares.

INCREASE, DECREASE AND REPURCHASE OF SHARES

The Company may increase its capital by the following methods in accordance with the needs of its operation and development, in compliance with laws, regulations, and the rules of the securities regulatory authorities of the place where the Company's shares are listed, and upon a resolution passed by the general meeting:

(i) issue of shares to non-specified parties;

(ii) issue of shares to specified parties;

(iii) distribution of bonus shares to existing shareholders;

(iv) conversion of capital reserve into additional share capital;

(v) other methods as permitted by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and by securities regulatory authorities such as the China Securities Regulatory Commission.

The Company shall increase its registered capital in accordance with the procedures stipulated in the relevant laws and regulations and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), and subject to the approval required by 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, Hong Kong Listing Rules and other relevant regulations and the Articles of Association.

The Company shall not repurchase its own shares, save as under one of the following circumstances:

(i) reduce its registered capital;

(ii) merge with other companies which hold shares in the Company;

(iii) use the shares for its employee stock ownership schemes or share incentive schemes;

(iv) purchase its shares upon the request by shareholders who vote against any resolution at a general meeting on the merger or division of the Company;

to acquire the shares from them if they vote against any resolutions adopted at the general meeting concerning the merger and division of the Company;

(v) use the shares for converting the convertible bonds issued by the Company into shares;

(vi) necessary for the Company to maintain the value of the Company and safeguard the interests of the shareholders;

(vii) other circumstances as prescribed by laws, administrative regulations, departmental rules, normative documents and the regulatory rules of the place where the Company's shares are listed.

The Company may repurchase its shares through ways recognized under laws, administrative regulations and by the China Securities Regulatory Commission (where required), the regulatory rules of the place where the Company's shares are listed, or the securities regulatory authorities (i.e. the stock exchanges).

A resolution at a general meeting is required when the Company repurchases its shares under the circumstances set out in items (i) and (ii) above; when the Company repurchases its shares under the circumstances set out in items (iii), (v) and (vi) above, a resolution of the Board shall be passed by more than two-thirds of the Directors attending the Board meeting, provided that it complies with the regulatory rules of the place where the Company's shares are listed.

After the Company has repurchased its shares in accordance with the provisions above, provided that it complies with the regulatory rules of the place where the Company's shares are listed, the shares repurchased under the circumstance set out in item (i) above shall be cancelled within ten days from the date of repurchase; the shares repurchased under the circumstances set out in items (ii) and (iv) above shall be transferred or cancelled within six months; and for the shares repurchased under the circumstances set out in items (iii), (v) and (vi) above, the total number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Where the applicable laws, administrative regulations, departmental rules, other normative documents and the regulatory rules of the place where the Company's shares are listed provide otherwise in relation to the repurchase by the Company of its shares, such provisions shall prevail.

TRANSFER OF SHARES

Shares of the Company that were issued prior to a public offering shall not be transferred within one year from the date on which the shares of the Company are listed and traded on the Hong Kong Stock Exchange.

The Directors and the senior management of the Company shall declare to the Company their shareholdings in the Company and the changes thereto. The shares transferred each year during their term of office determined upon appointment shall not exceed 25% of the total number of shares of the same class they hold in the Company. The shares held by them in the Company shall not be transferred within one year from the date on which the Company's shares are listed and traded. Such persons shall not transfer their shares in the Company within six months after their resignation. Where laws, administrative regulations, or the China Securities Regulatory Commission and the place where the Company's shares are listed provide otherwise in relation to the restrictions on the transfer of the Company's shares, such provisions shall prevail.

Any gains from sale of Company's shares or other equity securities by the Directors and the senior management or shareholders holding more than 5% of the Company's shares within six months after their purchase of the same, and any gains from the purchase of the shares or other equity securities by any of the aforesaid parties within six months after their sale of the same, shall belong to the Company, and the Board of Directors shall recover such gains from the abovementioned parties. However, the securities company, Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited holding more than 5% of the shares as a result of the purchase of the remaining shares after the underwriting of the offering, and in such other circumstances as prescribed by the China Securities Regulatory Commission, the regulatory authorities of the place where the Company's shares are listed and the stock exchanges or other relevant regulatory authorities shall be excluded. Shares or other equity securities held by Directors, senior management and individual shareholders as mentioned in the preceding paragraph shall include shares or other equity securities held by their spouses, parents, children, and shares or other equity securities held under the accounts of other persons.

Where the Board of Directors of the Company fails to comply with the provisions set forth in the preceding paragraph, the shareholders are entitled to request the Board of Directors to enforce the provisions within thirty days. Where the Board of Directors of the Company fails to enforce the same within the aforesaid period, the shareholders are entitled to commence legal proceedings directly before the People's Court in their in their own names in the interests of the Company. Where the Board of Directors of the Company fails to comply with the provisions set forth in the preceding paragraph, the Directors responsible shall bear joint and several liabilities in accordance with the law.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall establish a register of shareholders in accordance with evidentiary documents provided by the securities registration and clearing institution in the place where the Company's shares are listed. The register of shareholders shall constitute sufficient evidence of shareholders' holdings of the Company's shares. The original register of shareholders of H Shares listed in Hong Kong shall be kept in Hong Kong and made available for inspection by shareholders. However, the Company may suspend the registration of share transfers in accordance with applicable laws and regulations, and the regulatory rules of the place where the Company's shares are listed. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy equal rights and assume the same obligations.

When the Company convenes a general meeting, distributes dividends, undergoes liquidation and engages in other activities which require the confirmation of shareholders' identities, the Board of Directors or the convener of the general meeting shall decide the shareholding record date and the shareholders whose names appear on the register after the close of trading on the shareholding record date shall be the shareholders entitled to the relevant rights. Where laws, administrative regulations, departmental rules, normative documents and the rules of the stock exchange or regulatory authorities of the place where the Company's shares are listed provide otherwise in relation to the period for suspension of registration of share transfers, such provisions shall prevail.

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

(i) to receive dividends and other forms of benefits in proportion to their respective shareholdings;

(ii) to legally request, convene, preside over, attend or appoint proxies to attend general meetings, speak at general meetings and exercise the corresponding voting rights;

(iii) to supervise, provide suggestions or raise queries relating to the operation of the Company;

(iv) to transfer, gift or pledge the shares held by them according to the provisions of the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association;

(v) to inspect and copy the Articles of Association, the register of shareholders, general meeting minutes, resolutions of meetings of the Board of Directors, financial and accounting reports, and the register of bondholders; shareholders meeting the requirements may inspect the Company's accounting books and accounting vouchers; where otherwise provided by the regulatory rules of the place where the Company's shares are listed, such provisions shall prevail;

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

(vii) to request the Company to acquire the shares held by shareholders who vote against resolutions on the merger or division of the Company at a general meeting;

(viii) other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The Articles of Association, resolutions of the general meeting or resolutions of the Board of Directors shall be in compliance with laws and regulations, and shall not deprive or restrict the statutory rights of shareholders. The Company shall protect the legitimate rights of shareholders and ensure they are treated fairly.

Where shareholders request to inspect the aforementioned information or materials, they shall comply with the provisions of the Company Law, the Securities Law, the securities regulatory rules of the place where the Company's shares are listed, and laws and administrative regulations, and shall provide the Company with written documents evidencing their shareholding in the Company and the number of shares held. Upon verification of the shareholder's identity, the Company shall provide information as requested by such shareholder.

Where the content of the resolutions of the general meeting and the Board of Directors are in violation of laws and administrative regulations, shareholders are entitled to request the People's Court to declare such resolutions invalid. Where the procedures for convening and voting at the general meeting and the Board meeting are in violation of laws, administrative regulations or the Articles of Association or the content of the resolutions violates the Articles of Association, shareholders are entitled to request the People's Court to revoke such resolutions within sixty days from the date on which the resolutions were adopted. However, this shall not apply if the procedures for convening and voting of the general meeting or Board meeting have only minor flaws that do not materially affect the resolution. Shareholders who were not notified to attend the general meeting may request the People's Court to revoke the resolutions within sixty days from the date on which they knew or should have known that the resolutions were made. The right of revocation shall lapse if it is not exercised within one year from the date on which the resolutions were made.

A resolution of the Company's general meeting or Board of Directors shall not be established under any of the following circumstances:

(i) the resolution was made without holding a general meeting or Board meeting;

(ii) the general meeting or Board meeting did not vote on the resolution;

(iii) the number of attendees or voting rights held by such attendees did not reach the number of attendees and voting rights in possession as required by the Company Law or the Articles of Association;

(iv) the number of persons or the voting rights held by them agreeing to the resolution did not reach the number of attendees and voting rights in possession as required by the Company Law or the Articles of Association;

Where resolutions of the general meeting or the Board of Directors are declared void, revoked, or confirmed as not having been established by the People's Court, the civil legal relations formed by the Company with a bona fide counterparty pursuant to such resolutions shall not be affected.

Where a director or senior management other than members of the Audit Committee causes losses to the Company by violating the laws, administrative regulations or the Articles of Association during performance of his duties for the Company, shareholders who individually or jointly hold more than 1% of the Company's voting shares for more than 180 consecutive days shall have the right to request in writing that the Audit Committee initiate legal proceedings before the People's Court; where the Audit Committee causes losses to the Company by violating the laws, administrative regulations or the Articles of Association during performance of its duties for the Company, the aforesaid shareholders can request the Board of Directors in writing to initiate legal proceedings before the People's Court.

Where the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receiving the written request from shareholders as set out in the preceding paragraph, or fails to initiate legal proceedings within thirty days since the date of receiving the request, or or where circumstances are urgent and failure to initiate legal proceedings immediately would cause irreparable harm to the Company's interests, the shareholders as mentioned in the preceding paragraph have the right to initiate legal proceedings directly before the People's Court in their own names in the interests of the Company.

Where any person infringes the legitimate rights of the Company and causes losses to the Company, the shareholders as referred to in the preceding paragraph may initiate legal proceedings before the People's Court in accordance with the preceding provisions.

Where the Directors, supervisors (if any), or senior management of a wholly-owned subsidiary of the Company violate laws, administrative regulations, or the provisions of the Articles of Association when performing their duties and cause losses to the Company, or where others infringe upon the legitimate rights of the wholly-owned subsidiary and cause losses, shareholders individually or jointly holding more than 1% of the Company's voting shares for more than 180 consecutive days may, in accordance with the preceding three paragraphs, request in writing that the wholly-owned subsidiary's Supervisory Committee (if any) or Board of Directors initiate legal proceedings before the People's Court, or directly initiate legal proceedings before the People's Court in their own names.

Where a director or senior management violates the laws, administrative regulations or the Articles of Association and causes damage to the shareholders' interests, shareholders can initiate legal proceedings before the People's Court.

The shareholders of the Company shall have the following obligations:

(i) to comply with laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association;

(ii) to pay capital contribution as per the shares subscribed for and the method of subscription;

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

(iv) not to abuse shareholders' rights to harm the interests of the Company or other shareholders; not to abuse the Company's position as a separate legal entity or shareholders' limited liability to harm the interests of the creditors of the Company;

(v) to fulfill such other obligations as stipulated by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders holding more than 5% of the voting shares of the Company who pledge any of the shares held by them shall submit a written report to the Company on the date on which such pledge occurs.

The controlling shareholders and de facto controllers of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the provisions of the China Securities Regulatory Commission and the stock exchange of the place where the Company's shares are listed and safeguard the interests of the listed company.

Where the controlling shareholders and de facto controllers of the Company instruct Directors or the senior management to engage in acts that harm the interests of the Company or shareholders, they shall bear joint and several liabilities with such Directors and senior management.

General Provisions of the General Meeting

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

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

(ii) to consider and approve reports of the Board of Directors;

(iii) to consider and approve the Company's annual financial budget and final accounts plans;

(iv) to consider and approve the Company's profit distribution plans and plans for making up losses;

(v) to resolve on any increase or reduction in the Company's registered capital;

(vi) to resolve on the issuance of corporate bonds;

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

(viii) to amend the Articles of Association;

(ix) to resolve on the appointment or dismissal of accounting firms undertaking the Company's audit services and matters relating to their remuneration;

(x) to consider and approve guarantee matters required to be approved by the general meeting;

(xi) to consider the Company's purchase or disposal of material assets within one year where the amount exceeds 30% of the latest audited total assets of the Company;

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

(xiii) to consider share incentive schemes and employee stock ownership schemes;

(xiv) to consider other matter required to be resolved by the general meeting under laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The general meeting may authorize the Board of Directors to resolve on the issuance of bonds of the Company. The issuance of corporate bonds resolved by the general meeting or authorized by the general meeting to be resolved by the Board of Directors shall be carried out in compliance with the laws, administrative regulations, and the regulations of the China Securities Regulatory Commission and the Hong Kong Stock Exchange.

Except as otherwise provided by laws, administrative regulations, the provisions of the China Securities Regulatory Commission, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, the powers of the general meeting referred to in the preceding paragraph shall not be exercised by the Board of Directors or other institutions or individuals by way of authorization.

Where the Company enters into any transaction that is required to be disclosed under the rules of the stock exchange of the place where the Company's shares are listed, the Company shall comply with the relevant approval and decision-making procedures and make the relevant disclosure in accordance with the Hong Kong Listing Rules.

The following external guarantee of the Company shall, after being considered and approved by the Board, be submitted to the general meeting for consideration and approval:

(i) any guarantee to be provided after the aggregate amount of external guarantees provided by the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets;

(ii) any guarantee to be provided after the total amount of external guarantees provided by the Company has exceeded 30% of the Company's latest audited total assets;

(iii) any guarantee provided by the Company within one year where the amount exceeds 30% of the Company's latest audited total assets;

(iv) any guarantee to be provided for a party with a gearing ratio exceeding 70%;

(v) any single guarantee where the amount of the guarantee exceeds 10% of the Company's latest audited net assets;

(vi) any guarantee to be provided for the shareholders, de facto controllers and their connected parties;

(vii) other external guarantee matters that shall be considered and approved by the general meeting in accordance with laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Unless otherwise provided by other securities regulatory rules of the place where the Company's shares are listed, where the Company provides a guarantee for a wholly-owned subsidiary, or provides a guarantee for a controlled subsidiary and the other shareholders of such controlled subsidiary provide guarantees in proportion to their respective equity interests, and the interests of the Company are not prejudiced, such guarantee may be exempted from submission to the Board or the general meeting for consideration. Where the Company provides a guarantee to a connected person (as defined under the Hong Kong Listing Rules), the applicable provisions of the Hong Kong Listing Rules shall be complied with (unless otherwise waived by the Hong Kong Stock Exchange). When the general meeting considers a resolution in relation to the provision of a guarantee to a shareholder, de facto controller or any of their connected parties, such shareholder or any shareholder controlled by such de facto controller shall abstain from voting on such resolution, and such resolution shall be passed by more than half of the voting rights held by the other shareholders attending the general meeting.

Where the Company enters into a connected transaction, it shall ensure the legality, necessity, reasonableness and fairness of such connected transaction, maintain the independence of the Company, and shall not use connected transactions to adjust financial indicators or prejudice the interests of the Company.

Where the Company enters into a connected transaction that is required to be disclosed under the rules of the stock exchange of the place where the Company's shares are listed, the Company shall comply with the relevant approval and decision-making procedures and make the relevant disclosure in accordance with the Hong Kong Listing Rules.

General meetings consist of annual general meetings and extraordinary general meetings. The annual general meeting shall be held once every year within six months after the end of the preceding financial year.

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

(i) when the number of Directors falls short of the number required by the Company Law or is less than two-thirds of the number as stipulated in the Articles of Association;

(ii) when the Company's uncovered loss reaches one-third of the total paid-up share capital;

(iii) where shareholders individually or jointly holding more than 10% of the Company's voting shares request in writing the convening of an extraordinary general meeting;

(iv) when the Board of Directors deems it necessary;

(v) when the Audit Committee proposes to convene an extraordinary general meeting;

(vi) other circumstances as prescribed by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Convening of General Meetings

General meetings shall be convened by the Board.

With the consent of more than half of all independent non-executive Directors, independent non-executive Directors shall be entitled to propose to the Board of Directors to convene an extraordinary general meeting. In response to a proposal by the independent non-executive Directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide a written response stating whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving such proposal. In the event that the Board of Directors agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after the Board of Directors passes the relevant resolution. In the event that the Board of Directors does not agree to convene an extraordinary general meeting, it shall state the reasons and make an announcement. Where the securities regulatory authorities of the place where the Company's shares are listed otherwise provide, such provisions shall prevail.

The Audit Committee shall be entitled to propose to the Board of Directors to convene an extraordinary general meeting, and such proposal shall be made in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide a written reply stating whether it agrees or disagrees with the convening of an extraordinary general meeting within ten days after receiving such proposal. In the event that the Board of Directors agrees to convene an extraordinary general meeting, the notice of general meeting shall be issued within five days after the Board of Directors passes the relevant resolution. Any changes to the original proposal made in the notice shall be approved by the Audit Committee. In the event that the Board of Directors does not agree to convene an extraordinary general meeting or does not provide any reply within ten days after receiving such proposal, the Board of Directors shall be deemed unable to perform or failure to perform its duty of convening a general meeting, in which case the Audit Committee may itself convene and preside over a general meeting.

Shareholders individually or jointly holding more than 10% of the voting shares of the Company shall be entitled to request the Board of Directors to convene an extraordinary general meeting, and such request shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide a written response stating whether it agrees to convene the extraordinary general meeting within ten days after receiving such request. In the event that the Board of Directors agrees to convene an extraordinary general meeting, a notice of general meeting shall be issued within five days after the Board of Directors passes the relevant resolution. Any changes to the original request made in the notice shall be subject to the consent of the relevant shareholders. In the event that the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide a response within ten days after receiving such request, shareholders individually or jointly holding more than 10% of the voting shares of the Company shall be entitled to propose to the Audit Committee to convene an extraordinary general meeting, and such proposal shall be submitted in writing to the Audit Committee. In the event that the Audit Committee agrees to convene an extraordinary general meeting, a notice of general meeting shall be issued within five days after receiving such request. Any changes to the original request made in the notice shall be subject to the consent of the relevant shareholders Where the Audit Committee fails to issue a notice of general meeting within the prescribed period, it shall be deemed that the Audit Committee has not convened or presided over the general meeting, and shareholders individually or jointly holding more than 10% of the voting shares of the Company for ninety consecutive days or more may convene and preside over the meeting on their own. Where the Audit Committee or shareholders decide to convene a general meeting on their own, they shall notify the Board of Directors in writing, and shall, in accordance with the Hong Kong Listing Rules and other applicable regulatory rules of the place where the Company's shares are listed, complete the necessary reporting, announcement or filing procedures (if required). Prior to the announcement of the resolutions of the general meeting, the proportion of voting shares held by the convening shareholders shall not be less than 10%.

The Audit Committee or the convening shareholders shall, when issuing the notice of the general meeting and the announcement of resolutions of the general meeting, submit relevant supporting materials (if required) to the Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules and other applicable regulatory rules of the place where the Company's shares are listed, and complete the necessary reporting or announcement procedures.

Proposals and Notices of General Meetings

The content of the proposals shall fall within the scope of the terms of reference of the general meeting, and have agenda items and specific resolutions, and shall comply with the relevant requirements of the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company convenes a general meeting, the Board of Directors, the Audit Committee, as well as shareholders individually or jointly holding more than 1% of the voting shares of the Company, shall be entitled to put forward proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Company's voting shares may submit provisional proposals in writing to the convener ten days prior to the convening of the general meeting. Such provisional proposals shall contain specific agenda items and specific resolutions. The convener shall, within two days after receipt of such proposals, issue a supplemental notice of the general meeting announcing the contents of the provisional proposals and submit such provisional proposal to the general meeting for consideration, unless such provisional proposal is in violation of laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association, or fall outside the scope of authority of the general meeting. Where, pursuant to the securities regulatory rules of the place where the Company's shares are listed, the general meeting is required to be postponed due to the publication of a supplemental notice of the general meeting, the convening of the general meeting shall be postponed in accordance with such regulatory rules. Except under the circumstances specified in the preceding paragraph, after the notice of the general meeting has been issued, the convener shall not amend the proposals set out in the notice of the general meeting or add new proposals.

No voting or resolution shall be made on any proposal not set out in the notice of general meeting or not in compliance with the Articles of Association.

The convener shall notify all shareholders by way of announcement at least twenty-one days prior to the convening of an annual general meeting and at least fifteen days prior to the convening of an extraordinary general meeting. In calculating the notice period, neither the date of the notice nor the date of the meeting shall be included.

The notice of general meeting shall include the following:

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

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

(iii) the notice shall state clearly that all shareholders are entitled to attend the general meeting or appoint proxies in writing to attend and vote at such meeting on their behalf and that such proxies need not be a shareholder of the Company;

(iv) the date of shareholding registration for shareholders who are entitled to attend the general meeting;

(v) the names and telephone numbers of the contact person for meeting affairs;

(vi) where the general meeting is conducted by way of online voting or other means, the voting time and voting procedures of such online voting or other means; and

(vii) other requirements prescribed by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Adequate and complete disclosure of all the specific details of the proposals shall be made in the notice and supplemental notice of a general meeting. If opinions of the independent non-executive Directors are required for the proposed matters to be discussed, the notice of general meeting or supplemental notices shall also disclose such opinions and their reasons.

The interval between the date of shareholding registration and the date of the meeting shall be no more than seven business days. The date of shareholding registration shall not be changed once confirmed.

If the election of directors is proposed to be discussed in the general meeting, the notice of general meeting shall adequately disclose the detailed profiles of the candidates for directors, which should include at least the following:

(i) personal information such as educational background, work experience and part-time jobs;

(ii) whether there is any connection with the Company or the Controlling Shareholders and actual controllers of the Company;

(iii) disclosure of the number of shares held in the Company;

(iv) whether he or she has been subject to any penalties imposed by the China Securities Regulatory Commission and other relevant authorities or disciplinary actions imposed by any stock exchange;

(v) whether he or she satisfies any other qualification requirements prescribed by laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.

Except where Directors are elected under the cumulative voting system, each Director candidate shall be proposed by way of a separate resolution.

After giving notice of a general meeting, the meeting shall not be postponed or cancelled without a justifiable reason, and the proposals set out in the notice of the General meeting shall not be cancelled. In the event of postponement or cancellation, the convener shall make an announcement at least two business days prior to the scheduled date of the meeting and explain the reasons. Where the securities regulatory rules of the place where the Company's shares are listed contain special provisions on the procedures for adjournment or cancellation of a General meeting, such provisions shall prevail to the extent that they do not contravene the domestic regulatory requirements.

Conducting the General Meeting

All shareholders registered in the register of members as at the record date for shareholding, or their proxies, shall be entitled to attend the general meeting and exercise voting rights in accordance with relevant laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association (unless any individual shareholder is required under the securities regulatory rules of the place where the Company's shares are listed to abstain from voting on specific matters). Shareholders shall be entitled to speak at the general meeting.

A shareholder may attend, speak and vote at the general meeting in person or by proxy. A proxy does not need to be a shareholder of the Company.

The general meeting shall be presided over by the Chairman of the Board. Where the Chairman is unable or fails to perform his duties, the general meeting shall be presided over by a director jointly elected by more than half of the Directors. Where a general meeting is convened by the Audit Committee on its own, it shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable or fails to perform his duties, the meeting shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee. Where a general meeting is convened by shareholders, it shall be presided over by the convener or his designated representative.

When the chairman of the general meeting violates the rules of procedure when holding the meeting and as a result, the general meeting is unable to continue, subject to the consent of the shareholders with more than half of voting rights of all the shareholders attending the general meeting, the general meeting may nominate a person to act as the chairman of the meeting and such meeting may continue.

The Company shall formulate the rules of procedure for the general meeting which shall set out in detail the convening and voting procedures of a general meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, meeting minutes and their signing and other contents, and the principles of authorization to the Board of Directors at the general meeting. The authorization shall be clear and specific. The rules of procedure for the general meeting shall be prepared by the Board of Directors and approved by the general meeting, and shall be appended to the Articles of Association.

In the annual general meeting, the Board of Directors shall report to the general meeting their work done in the past year.

Directors and senior management shall provide explanation and clarification in relation to the enquiries and suggestions from the shareholders during the general meeting.

The chairman of the meeting shall, prior to voting, declare the number of shareholders and proxies attending the meeting as well as the total number of their voting shares, which shall conform to the meeting's registration.

The general meeting shall have minutes prepared by the secretary to the Board of Directors.

The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, secretary to the Board of Directors, conveners or their representatives and the chairman of the meeting shall sign on the minutes. The minutes of the meeting shall be kept together with the attendance record of the attending shareholders, letters of authorization of proxies, valid information of online voting and voting by other means, for a period of ten years.

The convener shall ensure that the general meeting continues until a final resolution is reached. Where the general meeting is suspended or is unable to adopt resolutions due to force majeure or other special circumstances, necessary measures shall be taken to resume the general meeting as soon as practicable or to terminate the general meeting directly, and announcements shall be made or reports submitted in a timely manner in accordance with laws, administrative regulations, departmental rules and the regulatory rules of the place where the Company's shares are listed.

Voting at and Resolutions of General meetings

Resolutions of a general meeting include ordinary resolutions and special resolutions. Ordinary resolutions of a general meeting shall be passed by votes representing more than half of the voting rights held by shareholders (including proxies) attending the general meeting. Special resolutions of a general meeting shall be passed by votes representing more than two-thirds of the voting rights held by shareholders (including proxies) attending the general meeting.

The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(i) work reports of the Board of Directors;

(ii) profit distribution plan and loss make-up plan formulated by the Board of Directors;

(iii) appointment and dismissal of directors, their remuneration and payment terms;

(iv) the Company's annual budget and final accounts plans;

(v) the Company's annual report;

(vi) the appointment or removal of accounting firms undertaking the Company's audit services and the determination of the audit fees of such accounting firms;

(vii) any other matters other than those required to be approved by special resolution under laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The following matters shall be resolved by way of special resolutions at a general meeting:

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

(ii) division, spin-off, merger, dissolution, liquidation, or change in corporate form of the Company;

(iii) amendments to the Articles of Association

(iv) purchase or disposal of major assets by the Company within one year, or the provision of guarantees where the amount exceeds 30% of the Company's latest audited total assets;

(v) equity incentive schemes involving the issuance of new shares;

(vi) such other matters as prescribed by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association, or as determined by the general meeting by ordinary resolution to have a material impact on the Company and therefore required to be approved by special resolution.

Where the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares held by them, and each share shall have one vote.

The shares of the Company held by the Company itself do not have voting rights, and such shares shall not be included in the total number of voting shares present at the general meeting.

Pursuant to the applicable laws and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a particular resolution or restricted to voting only for (or against) a particular resolution, the number of votes cast by such shareholder or his proxy in breach of the relevant requirements or restrictions shall not be included in the total number of voting shares.

Subject to applicable laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, the Board of Directors, independent non-executive Directors, shareholders individually or jointly holding more than 1% of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the requirements of the China Securities Regulatory Commission or the securities regulatory authorities of the place where the Company's shares are listed, may publicly solicit voting rights from shareholders. In soliciting voting rights from shareholders, the specific voting intention and other relevant information shall be fully disclosed to the person being solicited. It is prohibited to solicit voting rights on a paid or disguised paid basis. Except for statutory requirements, the Company shall not impose any minimum shareholding threshold for the solicitation of voting rights.

When the general meeting considers connected transaction matters, connected shareholders shall not participate in the voting, and the number of voting shares held by them shall not be counted in the total number of valid votes. Such shareholders shall not act as proxies for other shareholders in exercising voting rights. The announcement of the resolutions of the general meeting shall fully disclose the voting results of the non-connected shareholders.

The list of candidates for directors shall be submitted as a proposal to the general meeting for consideration and approval.

When voting is carried out on the election of directors at a general meeting, the cumulative voting system may be adopted in accordance with the requirements of the Articles of Association or the resolutions of the general meeting. Where the general meeting elects two or more independent non-executive Directors, the cumulative voting system shall be adopted. Where Directors are elected by way of cumulative voting at the general meeting, the voting for independent non-executive Directors and other Directors shall be conducted separately, and the elected Directors shall be determined in descending order according to the number of votes received, based on the number of Directors to be elected. Where the cumulative voting system is not adopted for the election of Directors, each Director candidate shall be proposed as a separate resolution. The cumulative voting system referred to above means that, when the general meeting elects Directors, each share shall carry a number of voting rights equal to the number of Directors to be elected, and such voting rights may be cast cumulatively. Where the Hong Kong Listing Rules provide otherwise in respect of the nomination procedures for Directors of the Company, such provisions shall prevail.

Except for the cumulative voting system, the general meeting shall resolve on all the proposals separately. If there are different proposals for the same matter, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution is passed for special reasons such as force majeure, the general meeting will not set aside or refrain from voting on the proposals.

When a proposal is considered at a general meeting, no amendments shall be made thereto. Otherwise, any changes made thereto shall be considered as a new proposal, and no voting shall be carried out on that proposal at that general meeting.

DIRECTORS AND BOARD OF DIRECTORS

General Provisions on Directors

A director of the Company who is a natural person may not act as a Director of the Company under any of the following circumstances:

(i) have no capacity for civil conduct or have limited capacity for civil conduct;

(ii) if a person has been sentenced to criminal punishment for corruption, bribery, misappropriation of property, embezzlement of property or undermining the order of the socialist market economy, and less than five years have elapsed since completion of the execution of the sentence; or if a person is deprived of political rights for committing a crime and less than five years have elapsed since completion of the execution of such penalty; or if a person is given a suspended sentence and less than two years have elapsed since the expiry of the probation period;

(iii) serving as a director, factory director or manager of a company or enterprise undergoing bankruptcy liquidation, and being personally responsible for the bankruptcy of such company or enterprise, and it has been less than three years since the date of completion of the bankruptcy liquidation of such company or enterprise;

(iv) serving as the legal representative of a company or enterprise that has had its business license revoked or ordered to close due to illegal activities with bearing personal responsibility, and it has not been more than three years since such company or enterprise was revoked of its business license or ordered to close;

(v) listed as a dishonest person subject to execution by the people's court since a relatively large amount of debt has not been paid off when due;

(vi) where the person is subject to a ban from the securities market imposed by the China Securities Regulatory Commission, the securities regulatory authority of the place where the Company's shares are listed, or the Hong Kong Stock Exchange, and the relevant period has not yet expired;

(vii) having been recognized, under the securities regulatory rules of the place where the Company's shares are listed, as unsuitable to serve as a director or **senior management** of a listed company, where the prescribed period has not expired;

(viii) other contents stipulated in laws, administrative regulations, departmental rules or securities regulatory rules of the place where the Company's shares are listed.

The election and appointment of any director in violation of the provisions of the previous Article shall be invalid and void. Any director who becomes disqualified during his term of office pursuant to the previous Article shall be removed from office by the Company and cease his performance of duties.

Directors are elected or replaced by the general meeting and may be removed from office by ordinary resolution of the general meeting before the expiration of their term of office, including executive Directors; provided that such removal shall not affect any claim for damages that the Director may have under any contract. The term of office of Directors shall be three years. Upon expiry of the term, Directors may be re-elected.

The term of office of a Director shall be calculated from the date of assuming office until the expiry of the term of office of the Board of Directors. Where a Director's term of office expires and a re-election is not timely conducted, the original Director shall continue to perform his or her duties in accordance with laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Articles of Association until the newly elected Director assumes office.

Any person elected or replaced by the general meeting as a Director to fill a casual vacancy or to increase the number of Directors shall hold office only until the first annual general meeting of the Company following his or her appointment, and shall then be eligible for re-election.

Directors may concurrently serve as senior management; however, the total number of Directors who concurrently serve as senior management together with Directors elected by employees shall not exceed one-half of the total number of Directors of the Company.

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

(i) not to expropriate the Company's property and misappropriate the Company's funds;

(ii) not to open any account in his own name or in others' name for the deposit of the Company's funds;

(iii) not to bribe or accept other illegal income by virtue of his position;

(iv) not to, without reporting to the Board or the general meeting and without being approved by a resolution of the Board or the general meeting in accordance with the Articles of Association, directly or indirectly enter into any contract or transaction with the Company;

(v) not to take advantage of his position to procure business opportunities which should be available to the Company for himself or others, unless such matter is reported to the Board of Directors or general meeting and approved by a resolution of the general meeting, or the Company is unable to take advantage of the business opportunity in accordance with laws, administrative regulations or the Articles of Association;

(vi) not to operate business similar to that of the Company on its own or for others without reporting to the Board or general meeting and approval by a resolution of the general meeting;

(vii) not to accept and retain any commission arising from any transaction with the Company;

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

(ix) not to make use of their connected-party relationship to harm the interests of the Company;

(x) to be bound by other obligations of loyalty stipulated by the laws, administrative regulations, departmental rules, regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Any income of any director in breach of the previous provision shall be owned by the Company; if such breach causes loss to the Company, the director shall be liable for compensation.

Directors shall comply with laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, and shall owe the following duties of diligence to the Company:

(i) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with national laws, administrative regulations and economic policies and are within the business scope specified in the business license;

(ii) to treat all shareholders impartially;

(iii) to keep abreast of the business and management of the Company;

(iv) to sign the regular reports of the Company for confirmation. To ensure the information disclosed by the Company is true, accurate and complete;

(v) to honestly provide the Audit Committee with relevant information and data, and not to interfere with the Audit Committee in performing their duties and powers;

(vi) to fulfill other due diligence obligations stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If a director neither attends the meeting of the Board in person nor entrusts other Directors to attend the meeting for two consecutive times, such director shall be deemed to be unable to perform his duties, and the Board shall propose the general meeting to remove and replace such director. Where, subject to the securities regulatory rules of the place where the Company's shares are listed, a Director attends a Board meeting by way of online video, video conference, telephone or other means with equivalent effect, such attendance shall be deemed attendance in person.

Directors may resign before the expiration of their terms of office. A director's resignation shall be submitted in writing to the Company.

Except in the circumstances specified in this provision, the resignation shall take effect on the date on which the Company receives the resignation report, and the Board shall disclose the relevant information within two days:

(i) where a director's resignation causes the number of members of the Board to fall below the statutory minimum requirement (including where the number of independent non-executive Directors is less than three);

(ii) where the resignation of an independent non-executive Director results in the number of independent non-executive Directors falling below one-third of the members of the Board, or where there is no independent non-executive Director possessing appropriate professional qualifications or appropriate accounting or related financial management expertise.

Under the above circumstance, the original Director shall continue to perform his duties as a Director in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association until the newly elected Director assumes office. Under the second circumstance above, the Company shall immediately notify the Hong Kong Stock Exchange and publish an announcement disclosing the relevant details and reasons. The original nominator of the independent non-executive Director or the Board shall nominate a new candidate for independent non-executive Director within the time limit prescribed by laws, administrative regulations, departmental rules and the regulatory rules of the place where the Company's shares are listed.

When a Director's resignation becomes effective or his term of office expires, the Director shall properly complete all handover procedures with the Board of Directors. His fiduciary duties owed to the Company and shareholders shall not automatically be discharged upon the expiry of his term of office. The confidentiality obligation of former Directors in respect of the Company's trade secrets shall remain effective after their departure until such information becomes public. The duration of other fiduciary duties shall be determined in accordance with the principle of fairness and, having regard to the specific circumstances of the relevant matters. Where the Director and the Company have reached an agreement on the performance of fiduciary duties, such agreement shall prevail.

Unless provided for under the Articles of Association or duly authorized by the Board of Directors, no Director may act in his own capacity on behalf of the Company or the Board of Directors. When a Director acts in his own capacity and a third party may reasonably believe that the director is acting on behalf of the Company or the Board of Directors, the Director shall declare his position and capacity in advance.

If a Director violates laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the provisions of the Articles of Association when performing his duties and causes losses to the Company, he shall be liable for damages.

Board of Directors

The Company shall have a Board of Directors, which shall be accountable to the general meeting.

The Board of Directors shall consist of six Directors, including three independent non-executive Directors. The Board shall have one Chairman.

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

(i) convene general meetings and submit work reports to the general meetings;

(ii) implement resolutions of the general meetings;

(iii) determine the business plans and investment plans of the Company;

(iv) formulate the Company's annual financial budget and final accounts plans;

(v) formulate the Company's profit distribution plan and loss make-up plan;

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

(vii) formulate plans for major acquisitions of the Company, repurchase of the Company's shares or plans for merger, division, dissolution and change of corporate form;

(viii) within the scope authorized by the general meeting, decide on matters such as the Company's external investment, acquisition and sale of assets, asset pledges, external guarantees, entrusted financial management, connected transactions and external donations;

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

(x) decide on the appointment or dismissal of the Company's General Manager, Board Secretary and other senior management, and determine their remuneration, rewards and punishments; and, based on the nomination of the General Manager, decide on the appointment or dismissal of the Company's Deputy General Manager, person in charge of finance (Financial Director) and other senior management, and determine their remuneration, rewards and punishments;

(xi) formulate the Company's basic management system;

(xii) formulate proposed amendments to the Articles of Association;

(xiii) manage the Company's information disclosure matters;

(xiv) make proposals to the general meeting on the engagement or change of the accounting firm performing audits for the Company;

(xv) listen to the work reports from the General Manager of the Company and review the work of the General Manager;

(xvi) other powers conferred by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association or the general meeting.

Any matters that are beyond the scope of authorization of the general meeting shall be submitted for consideration at the general meeting.

The Board of Directors shall establish an Audit Committee, which shall exercise the powers and functions of the Supervisory Board as prescribed under the Company Law. In addition to the Audit Committee, the Board of Directors may establish other special committees, including the Nomination Committee and the Remuneration and Assessment Committee (if necessary). Members of each special committee of the Board of Directors shall be determined by election by the Board of Directors.

The special committees are accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and authorization of the Board of Directors, and the proposals of the special committees shall be submitted to the Board of Directors for consideration and decision. All members of the special committees shall be Directors, and the specific composition and qualification requirements shall be subject to the provisions of the Company Law and other laws, administrative regulations, departmental rules and the regulatory rules of the place where the Company's shares are listed. The Board of Directors shall be responsible for formulating the working rules of the special committees and regulating their operation.

The Board of Directors shall explain to the general meeting for any non-standardized audit opinion on the financial report of the Company issued by a certified public accountant.

The Board of Directors shall formulate the rules of procedure for the Board meetings to ensure that the Board of Directors will implement the resolutions of the general meetings, improve work efficiency and ensure scientific decision-making. The rules of procedure for the Board of Directors shall form an appendix to the Articles of Association and shall be formulated by the Board of Directors and approved by the general meeting.

The Board of Directors shall determine the scope of authority for external investments, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions and external donations, and shall establish strict review and decision-making procedures. For major investment projects, relevant experts and professionals shall be organized to conduct evaluations, and such projects shall be submitted to the general meeting for approval. Transactions or matters of the Company which are required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place where the Company's shares are listed to be submitted to the Board of Directors for consideration shall be handled in accordance with the relevant provisions.

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

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

(i) preside over the general meetings and convene and preside over meetings of the Board of Directors;

(ii) supervise and inspect the implementation of resolutions of the Board of Directors;

(iii) sign on the important documents of the Board of Directors and other documents to be signed by the legal representative;

(iv) exercise the powers of the legal representative;

(v) other powers conferred by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed, the Articles of Association or the Board of Directors.

If the chairman of the Board of Directors of the Company is unable to perform his duties or fails to perform his duties, one director jointly nominated by more than half of the directors shall perform his duties.

The Board of Directors shall hold at least four regular meetings each year, approximately once every quarter. Such meetings shall be convened by the Chairman of the Board of Directors and notice of each meeting shall be given to all Directors in writing, by mail, fax, email or personal delivery at least fourteen days prior to the meeting.

Shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors, the Audit Committee, the Chairman of the Board of Directors, or more than half of the independent non-executive Directors may propose to convene an extraordinary meeting of the Board of Directors. The Chairman of the Board of Directors shall convene and preside over the Board meeting within ten days after receiving such proposal.

When convening an extraordinary meeting of the Board of Directors, the Board office shall issue the meeting notice by in writing, mail, telephone, fax or email at least two days prior to the meeting (excluding the date of the meeting). Where the meeting notice is not delivered directly, it shall also be confirmed by telephone and a corresponding record shall be made. In case of an emergency where an extraordinary Board meeting needs to be convened as soon as possible, and subject to the relevant laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the aforesaid notice period may be waived. A meeting notice may be given at any time by telephone or other oral means, provided that the convener shall provide an explanation at the meeting.

A Board meeting shall be held when more than half of the Directors (including proxies) are present. Resolutions of the Board of Directors shall be adopted by a majority of all Directors. Where laws, administrative regulations, departmental rules or the regulatory rules of the place where the Company's shares are listed provide otherwise in relation to matters to be resolved by the Board of Directors, such provisions shall prevail.

Resolutions of the Board of Directors are voted by way of poll with each Director having one vote. Where the number of votes against a resolution is equal to the number of votes in favour, the Board of Directors may reconsider and re-vote on the relevant matter; if a tie vote occurs for three consecutive times, the matter shall be submitted to the general meeting for consideration.

Where a Director has a related relationship with the enterprise involved in a matter to be resolved at a Board meeting, such Director shall not exercise voting rights on such resolution, nor shall he vote on behalf of other Directors. Such Board meeting may be held only when more than half of the non-related Directors are present. Resolutions of the Board meeting shall be passed by a majority of the non-related Directors or by two-thirds or more of such Directors, as the case may be. Where the number of non-related Directors attending the Board meeting is less than three, the matter shall be submitted to the general meeting for consideration.

The voting method for resolutions of the Board of Directors shall be by a written poll by name.

As a general principle, Board meetings shall be held in person. Where necessary, and on the condition that Directors are able to fully express their views and subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, meetings may be convened with the consent of the convener by video conference, telephone conference, fax or email. Where a Board meeting is not held in person, the number of Directors present shall be determined based on Directors attending via video display, Directors participating via telephone conference system, valid voting slips actually received within the prescribed period via fax or email, or valid attendance confirmation documents submitted by Directors thereafter. In the case of written communication voting, Directors shall sign and confirm their written opinions and voting intentions on the matters under consideration and send them to the Board of Directors by fax or email, and the Board of Directors shall count the voting results accordingly and form resolutions of the Board meeting. Where laws, regulations or the securities regulatory rules of the place where the Company's shares are listed impose additional restrictions on Directors' participation in Board meetings and voting, such provisions shall prevail.

Directors shall attend meetings of the Board of Directors in person. Where a Director is unable to attend a meeting for any reason, he may appoint another Director to attend on his behalf by written authorization. The instrument of authorization shall specify the name of the proxy, the matters authorized, the scope of authority and the period of validity, and shall be signed or sealed by the authorizing Director. A Director attending the meeting on behalf of another Director shall exercise the rights of a Director within the scope of the authorization. If a Director fails to attend a Board meeting and does not authorize a proxy to attend on his behalf, he shall be deemed to have waived his voting rights at that meeting. A Director shall not accept authorization from more than two other Directors to attend a single Board meeting. Where connected transactions are considered, non-related Directors shall not authorize related Directors to attend the meeting on their behalf.

The Board of Directors shall keep minutes of its decisions on the matters discussed at the meeting. The minutes shall be signed by the attending Directors.

The meeting minutes of the Board of Directors shall be kept as company files for ten years.

Independent Non-Executive Directors

Independent non-executive Directors must maintain independence. The qualification requirements, nomination and election procedures, duties and powers and other relevant matters of independent non-executive Directors shall be implemented in accordance with the relevant provisions of laws, regulations and the securities regulatory rules of the place where the Company's shares are listed. Independent non-executive Directors shall conduct an annual self-assessment of their independence and submit such self-assessment to the Board of Directors. The Board of Directors shall conduct an annual assessment of the independence of the incumbent independent non-executive Directors and issue a special opinion, which shall be disclosed together with the annual report.

The independent non-executive Directors, as members of the Board of Directors, shall owe a duty of loyalty and diligence to the Company and all shareholders, and shall prudently perform the following duties:

(i) to participate in the decision-making of the Board of Directors and express clear opinions on matters considered;

(ii) to supervise potential material conflicts of interest between the Company and controlling shareholders, actual controllers, Directors or senior management, and to protect the lawful rights and interests of small and medium shareholders;

(iii) to provide professional and objective suggestions for the Company's operations and development to facilitate enhancement of the decision-making standards of the Board of Directors;

(iv) other duties stipulated under laws, administrative regulations, the China Securities Regulatory Commission, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Independent non-executive Directors exercise the following special functions and powers:

(i) independently engaging intermediaries to audit, consult or verify specific matters of the Company;

(ii) proposing to the Board of Directors the convening of an extraordinary general meeting;

(iii) proposing to convene meetings of the Board of Directors;

(iv) publicly soliciting voting rights from shareholders in accordance with the law;

(v) expressing independent opinions on matters that may prejudice the interests of the Company or small and medium shareholders;

(vi) other duties stipulated under laws, administrative regulations, the China Securities Regulatory Commission, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

In the event that an independent non-executive Director exercises the powers set out in items (i) to (iii) of the preceding paragraph, the exercise of such powers shall be subject to the approval of a majority of all independent non-executive Directors.

If an independent non-executive Director exercises the powers and functions listed in the first paragraph, the Company shall make timely disclosure. In the event that the aforementioned powers and functions cannot be properly exercised, the Company shall disclose the specific circumstances and reasons.

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

(i) connected transactions that shall be disclosed;

(ii) plans of the Company and related parties to change or waive undertakings;

(iii) decisions made and measures taken by the Board of Directors of the acquired listed company in relation to the acquisition;

(iv) other matters prescribed by laws, administrative regulations, the requirements of the China Securities Regulatory Commission, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Company establishes a special meeting mechanism comprising all independent non-executive Directors participate. When the Board of Directors considers matters such as connected transactions, such matters shall be subject to prior recognition by the special meeting of independent non-executive Directors.

The Company shall convene special meetings of independent non-executive Directors on a regular or ad hoc basis. Matters set out in items (i) to (iii) of the first paragraph concerning the powers and functions of independent non-executive Directors under the Articles of Association, as well as the matters specified in the Articles of Association which require the consent of more than half of all independent non-executive Directors before being submitted to the Board of Directors for consideration, shall be considered at special meetings of independent non-executive Directors.

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

The special meetings of independent non-executive Directors shall be convened and presided over by an independent non-executive Director jointly elected by more than half of the independent non-executive Directors; in the event that the convener fails to or is unable to perform his duties, two or more independent non-executive Directors may jointly convene the meeting and elect one representative to preside over the meeting on their own.

The minutes of special meetings of independent non-executive Directors shall be prepared in accordance with the regulations, and the opinions of independent non-executive Directors shall be set out in the minutes. The independent non-executive Directors shall sign the meeting minutes for confirmation.

Senior Management

The Company shall have a General Manager, a Deputy General Manager, person in charge of finance (Financial Director), secretary to the Board of Directors, who shall be appointed or dismissed by the Board of Directors.

The senior management of the Company shall comprise the General Manager, Deputy General Manager, person in charge of finance (Financial Director), secretary to the Board of Directors and such other senior management as designated by the Board of Directors.

The provisions of the Articles of Association regarding the circumstances under which a person may not serve as a Director shall also apply to senior management.

The provisions of the Articles of Association regarding the fiduciary duties and duties of diligence of Directors shall also apply to senior management.

Persons holding administrative positions other than Directors and supervisors in the Company's Controlling Shareholder entities shall not serve as senior management of the Company. Senior management of the Company are remunerated only by the Company and are not remunerated by the Controlling Shareholder.

The term of office of the General Manager shall be three years, and may be re-appointed to serve consecutive terms.

The General Manager shall be accountable to the Board of Directors and shall exercise the following powers and duties:

(i) presiding over the Company's production, operation, and management activities, implementing the resolutions of the Board of Directors, and reporting to the Board of Directors;

(ii) implementing the Company's annual business plans and investment proposals;

(iii) drafting proposals for the establishment of the Company's internal management structure;

(iv) drafting the Company's basic management systems;

(v) formulating the Company's specific regulations;

(vi) proposing to the Board of Directors the appointment or dismissal of the Deputy General Manager, person in charge of finance (Financial Director), secretary to the Board of Directors and other senior management;

(vii) deciding on the appointment or dismissal of management other than those whose appointment or dismissal shall be decided by the Board of Directors;

(viii) to consider and approve general connected transactions other than connected transactions required under the Articles of Association to be submitted to the Board of Directors or the general meeting for approval;

(ix) to consider and approve other major transactions, external investments, external guarantees and other matters other than those required under laws, regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association to be submitted to the Board of Directors or the general meeting for approval;

(x) to decide on the establishment of wholly-owned subsidiaries and/or branches of the Company;

(xi) other powers and functions conferred by the Articles of Association, the securities regulatory rules of the place where the Company's shares are listed or the Board of Directors.

The General Manager shall attend meetings of the Board of Directors.

The General Manager shall formulate detailed working rules for the General Manager , which shall be implemented after being submitted to and approved by the Board of Directors.

The detailed working rules for the General Manager shall include:

(i) the conditions, procedures and participants for convening meetings of the General Manager and the persons attending such meetings;

(ii) the respective specific duties and division of responsibilities among the General Manager and other senior management;

(iii) the application of the Company's capital and assets, the authority for entering into major contracts, and the mechanisms of reporting to the Board of Directors;

(iv) other matters deemed necessary by the Board of Directors.

The General Manager, may tender resignation before the expiry of the term of office. Specific procedures and measures concerning the resignation of the General Manager shall be prescribed in the employment contract between the General Manager and the Company.

The candidates for Deputy General Manager shall be nominated by the General Manager and appointed or dismissed by the Board of Directors. The Deputy General Managers shall be responsible to the General Manager, perform their respective duties in accordance with the authority granted by the General Manager, and assist the General Manager in carrying out his work.

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

The secretary to the Board of Directors shall comply with the laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the relevant provisions of the Articles of Association.

Where senior management, in the performance of their duties, violates laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed or the Articles of Association and cause losses to the Company, such persons shall be liable for compensation.

The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Where senior management of the Company fail to faithfully perform their duties or violate their duty of good faith and cause damage to the interests of the Company and its shareholders, they shall be liable for compensation in accordance with law.

FINANCIAL ACCOUNTING SYSTEM, PROFITS DISTRIBUTION AND AUDIT

Financial Accounting System and Profits Distribution

The Company shall prepare, publish and distribute its annual reports and interim reports in accordance with the relevant provisions of laws, administrative regulations, departmental rules and other securities regulatory rules of the place where the Company's shares are listed. The Company shall not establish any accounting books other than the statutory accounting books. The Company's funds shall not be deposited in accounts opened under any individual's name.

The Company shall allocate 10% of the annual profits after tax as the statutory reserve of the Company. When the cumulated amount of the statutory reserve of the Company has reached 50% or more of its registered capital, no further allocations is required. If the statutory reserve of the Company is insufficient to make up for the losses of the previous years, the profits of the current year shall first be used to make up for the said losses before any statutory reserve is allocated as per the provision of the preceding paragraph.

After allocating the statutory reserve out of its profits after tax, the Company may also, subject to the resolution of the general meeting, allocate its profits after tax into its discretionary reserve.

After making up losses of the Company and making allocations to the statutory reserve fund, any remaining after-tax profits shall be distributed to shareholders in proportion to their shareholdings, except as otherwise provided by laws and regulations, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or as unanimously agreed by all shareholders not to distribute in proportion to shareholdings. Where the Company distributes profits to shareholders in violation of the preceding paragraph, the shareholders shall return to the Company the profits distributed in violation of such provisions; if losses are caused to the Company, the shareholders and the Directors and senior management who are liable shall bear compensation liability. Shares held by the Company itself shall not participate in profit distribution.

The Company's reserves shall be used to make up losses of the Company, expand the Company's production and operations, or convert into and increase the registered capital of the Company. In making up the Company's losses from reserves, the discretionary reserve and the statutory reserve shall be used first; if the losses still cannot be made up, the capital reserve may be used in accordance with the prescribed rules. When the statutory reserve is converted into registered capital, the remaining balance of such reserve shall not be less than 25% of the Company's registered capital prior to the conversion.

After the profit distribution plan has been resolved at the general meeting, the Board of Directors of the Company shall complete the matters related to dividend (or share) distribution within two months after the date of the general meeting.

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

Internal Audit

The Company shall implement an internal audit system. It shall engage full-time audit personnel to perform internal audit and supervision on the Company's financial income and expenses and economic activities.

The internal audit system and the responsibilities of the audit personnel of the Company shall take effect upon approval by the Board of Directors. The head of audit shall be accountable to and report directly to the Board of Directors.

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

Merger, Division, Capital Increase and Capital Reduction

A merger may be in the form of merger by absorption or merger by establishment of a new company. In the case of merger by absorption, the company being absorbed shall be dissolved. Merger by establishment of a new company shall refer to the establishment of a new company as a result of merger of two or more companies and the merger parties shall be dissolved.

Where the Company merges with a company in which it holds 90% or more equity interest, the merged company is not required to be approved by a resolution of the general meeting; however, the Company shall notify the other shareholders, and such shareholders shall have the right to request the Company to acquire their equity interests or shares at a reasonable price. Where the consideration paid by the Company for a merger does not exceed 10% of the Company's net assets, the merger may be carried out without a resolution of the general meeting, unless otherwise provided in the Articles of Association. Where the Company carries out a merger without a resolution of the general meeting in accordance with the foregoing provisions, such matter shall be considered and approved by resolution of the Board of Directors.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and an inventory of assets. The Company shall notify its creditors within ten days from the date on which the resolution on the merger is made, and shall make an announcement within thirty days in a newspaper approved by the market regulation authority of the place where the Company is located or through the National Enterprise Credit Information Publicity System. Creditors may, within thirty days from receipt of the notice, or within forty-five days from the date of the announcement if no notice is received, request the Company to settle its debts or provide corresponding security.

Upon merger of the Company, the creditor's rights and debts of the merging parties shall be assumed by the company surviving after the merger or the newly established company.

In the event of a division, the assets of the Company shall be correspondingly divided. A balance sheet and an asset inventory shall be prepared for the division. The Company shall notify its creditors within ten days from the date on which the resolution on the division is made, and shall make an announcement within thirty days in a newspaper approved by the market regulation authority of the place where the Company is located or through the National Enterprise Credit Information Publicity System. The debts of the Company prior to the division shall be jointly and severally borne by the companies after the division, except as otherwise agreed in a written agreement on debt settlement entered into between the Company and its creditors prior to the division. Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date on which the resolution on reduction of registered capital is made, and shall make an announcement within thirty days in a newspaper approved by the market regulation authority of the place where the Company is located or through the National Enterprise Credit Information Publicity System. Creditors may, within thirty days from receipt of the notice, or within forty-five days from the date of the announcement if no notice is received, have the right to request the Company to settle its debts or provide corresponding security.

The registered capital of the Company after capital reduction shall not be lower than the statutory minimum requirement.

Where the Company still suffers losses after making up losses in accordance with the Articles of Association or the Company Law, it may make up such losses by reducing its registered capital. Where losses are made up by reducing registered capital, the Company shall not distribute profits to shareholders, nor shall it exempt shareholders from their obligation to contribute capital or pay for shares. Where capital reduction is carried out for the purpose of making up losses, the Company shall, within thirty days from the date on which the resolution on reduction of registered capital is made by the general meeting, make an announcement in a newspaper or through the National Enterprise Credit Information Publicity System.

Where the Company completes a capital reduction in accordance with the preceding paragraph, it shall not distribute profits before the aggregate amount of the statutory reserve fund and the discretionary reserve fund reaches 50% of the Company's registered capital. Where profits are distributed in violation of the foregoing provisions, the shareholders shall return the relevant profits to the Company; if losses are caused to the Company, the shareholders and the Directors and senior management who are liable shall bear compensation liability.

Changes in particulars of the companies as a result of merger or division shall be registered with the company registration authority in accordance with the laws. Deregistration of a company shall be performed in accordance with the laws when the Company is dissolved. Incorporation registration of a company shall be performed in accordance with the laws when a new company is incorporated. When increasing or reducing the registered capital, the Company shall register such changes with company registration authority in accordance with the laws.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(i) expiry of business term stipulated in the Articles of Association or occurrence of any other causes for dissolution stipulated in the Articles of Association;

(ii) a general meeting has resolved on the dissolution of the Company;

(iii) as a result of the merger or division of the Company;

(iv) the Company's business license is revoked, or the Company is ordered to close down or revoked in accordance with the law;

(v) when the Company has serious difficulties in its management and the Company's subsistence will cause serious damages to the interests of its shareholders, and where the Company is unable to resolve the difficulties through any other means, the shareholders who hold more than 10% of the voting rights of the Company may apply to the People's Court for dissolution of the Company.

When a cause for dissolution stipulated in the first paragraph occurs on the part of the Company, the cause for dissolution shall be publicized through the National Enterprise Credit Information Publicity System within ten days.

Under the circumstances set out in items (i) and (ii) of the first paragraph above, where no property has been distributed to shareholders, the Company may subsist through the amendment of the Articles of Association or by resolution of the general meeting.

Any amendment to the Articles of Association and resolution of the general meeting made in accordance with the preceding paragraph shall be passed by votes representing more than two-thirds of the voting rights held by shareholders attending the general meeting.

Where the Company is dissolved due to items (i), (ii), (iv) and (v) of the first paragraph above, a liquidation team shall be established within fifteen days from the date on which the cause of dissolution arises and commence liquidation. The liquidation team shall be composed of Directors or such persons as determined by the general meeting. Where a liquidation team is not established within the prescribed time limit to carry out liquidation, creditors may apply to the People's Court for the appointment of relevant persons to form a liquidation team to carry out the liquidation.

The liquidation team shall, within ten days from its establishment, notify the creditors, and make an announcement within sixty days in a newspaper approved by the market regulation authority of the place where the Company is located or through the National Enterprise Credit Information Publicity System. Creditors shall declare their claims to the liquidation team within thirty days from receipt of the notice, or within forty-five days from the date of the announcement if no notice is received.

Creditors declaring their claims shall state the relevant particulars of such claims and provide supporting evidence. The liquidation team shall register the claims. During the period for declaration of claims, the liquidation team shall not make repayment to creditors.

Upon liquidating the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation team shall formulate a liquidation plan and submit it to the general meeting or the People's Court for confirmation. After the Company's assets are used respectively for payment of liquidation expenses, employees' wages, social insurance premiums and statutory compensation, payment of outstanding taxes and settlement of the Company's debts, the remaining assets shall be distributed in proportion to the shares held by the shareholders. During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation. The Company's assets shall not be distributed to shareholders before repayment is made in accordance with the preceding paragraph.

Upon liquidating the Company's assets and preparing a balance sheet and an inventory of assets, where the liquidation team is aware that the Company's assets are inadequate for repayment of debts, the liquidation team shall apply to the People's Court for a declaration of insolvency. Upon the Company being declared insolvent by a ruling of the People's Court, the liquidation team shall hand over all liquidation matters to the People's Court.

Upon completion of liquidation, the liquidation team shall formulate a liquidation report and shall submit the same to the general meeting or the People's Court for confirmation and submit to the company registration authority and apply for deregistration of the Company, and announce the termination of the Company.

Where the Company is declared insolvent in accordance with laws, it shall implement insolvency liquidation in accordance with the relevant laws relating to insolvency of an enterprise.

AMENDMENTS TO ARTICLES OF ASSOCIATION

Under any of the following circumstances, the Company shall amend the Articles of Association:

(i) following the amendment of the Company Law, the relevant laws, administrative regulations or the regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association contradict the provisions of the amended laws, administrative regulations or the regulatory rules of the place where the Company's shares are listed;

(ii) the Company's circumstances change and become inconsistent with the matters set out in the Articles of Association;

(iii) a general meeting has decided on making amendments to the Articles of Association.

Where the approval from the competent authority is required for the amendments to the Articles of Association resolved by the general meeting, such amendments shall be submitted to the competent authority for approval. Where an amendment to the Articles of Association involves the particulars of the Company's registration, changes shall be made to the registration pursuant to the law.

The Board of Directors shall amend the Articles of Association pursuant to the resolution of the general meeting on such amendments and the examination and approval opinion of the competent authority.