This appendix sets out the principal provisions of the Articles of Association of the Company (the "**Articles of Association**"), which will become effective 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 principal objective of this appendix is to provide an overview of the Articles of Association of the Company for potential [**REDACTED**], and it does not contain all information that may be important to potential [**REDACTED**].

ISSUANCE OF SHARES

The issuance of shares of the Company shall be conducted in an open, fair and equitable manner, and each share of the same class shall carry equal rights. Shares of the same class issued at the same time shall be issued on the same conditions and at the same price; any share subscribed by a subscriber shall be paid in full at the same price. All shares issued by the Company are ordinary shares.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Based on its operational and developmental needs, the Company may, subject to laws, regulations and the rules of the securities regulatory authorities in the place(s) where the Company's shares are listed, increase its capital in the following ways upon separate resolutions being passed by the Shareholders' meeting:

(1) offering of shares to unspecified parties;

(2) offering of shares to specified parties;

(3) distribution of bonus shares to existing Shareholders;

(4) conversion of reserve fund into share capital;

(5) other methods prescribed by laws, administrative regulations, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other regulatory rules of the place(s) where the Company's shares are listed, as well as those approved by the CSRC and other securities regulatory authorities.

The Shareholders' meeting may authorize the Board of Directors to decide to issue shares not exceeding 50% of the issued shares within three years, provided that the shares to be issued in each year shall not exceed 20% of the issued shares. If the Board of Directors decides to issue shares in accordance with the aforesaid provisions, which results in a change in the registered capital and the number of issued shares of the Company, the amendment to such particulars in the Articles of Association shall not be subject to further voting by the Shareholders' meeting.

Any increase in registered capital of the Company shall be conducted in accordance with the procedures stipulated in relevant laws and regulations and the Hong Kong Listing Rules, etc. after being approved according to the Articles of Association.

The Company may reduce its registered capital. Any reduction of registered capital shall be conducted in accordance with the procedures stipulated in the Company Law, the Hong Kong Listing Rules, other relevant regulations and the Articles of Association.

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

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

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

(3) to use the shares for employee stock ownership plans or equity incentives;

(4) upon request by a Shareholder who disagrees with a resolution passed at a Shareholders' meeting regarding a merger or division of the Company to purchase their shares;

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

(6) where it is necessary for the Company to safeguard its value and Shareholders' interests;

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

The repurchase of shares of the Company may be carried out by means of public centralized trading or other methods recognized by laws, administrative regulations, the CSRC and the securities regulatory authorities in the place(s) where the shares of the Company are listed.

Subject to the applicable securities regulatory rules of the place(s) where the Company's shares are listed, if the Company repurchases its own shares under the circumstances set out in items (3), (5) and (6) above, such repurchase shall be carried out by means of public centralized trading.

If the Company repurchases its own shares under the circumstances set out in items (1) and (2) above, it shall be resolved by the Shareholders' meeting; if the Company repurchases its own shares under the circumstances set out in items (3), (5) and (6) above, subject to the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, it may be resolved by a Board meeting at which more than two-thirds of the Directors are present.

Subject to the regulatory rules of the place(s) where the Company's shares are listed, including the Hong Kong Listing Rules, after the Company repurchases its shares pursuant to the aforementioned provisions, for circumstances set out in item (1) above, the shares shall be cancelled within 10 days from the date of repurchase; for circumstances set out in items (2) and (4) above, the shares shall be transferred or cancelled within six months; for circumstances set out in items (3), (5) and (6) above, the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued shares of the Company, and such shares shall be transferred or cancelled within three years.

Where relevant laws, administrative regulations, departmental rules, other normative documents and the regulatory rules of the place(s) where the Company's shares are listed (including the Securities Law and the Hong Kong Listing Rules) provide otherwise in respect of the relevant matters of the Company's repurchase of its shares, such provisions shall prevail.

TRANSFER OF SHARES

Shares of the Company issued prior to the public offering of shares 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 senior management of the Company shall declare to the Company the shares held by them in the Company and any changes thereto; the shares transferred by them each year during their term of office as determined upon assumption of office shall not exceed 25% of the total number of the Company's shares held by them; the shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within half a year after their departure from office. If the securities regulatory rules of the place(s) where the Company's shares are listed contain additional provisions regarding restrictions on the transfer of the Company's shares, such provisions shall also be complied with. If laws, administrative regulations or the regulatory rules of the place(s) where the Company's shares are listed, including those of the CSRC and the Hong Kong Listing Rules, contain additional provisions regarding restrictions on the transfer of the Company's shares, such provisions shall prevail.

Where Directors, senior management, and Shareholders holding 5% or more of the shares of the Company sell the stocks of the Company or other securities in the nature of equity held by them within six months after purchase, or purchase such stocks or securities again within six months after sale, the proceeds derived therefrom shall belong to the Company, and the Board of Directors of the Company shall recover such proceeds. However, this shall not apply to securities companies holding 5% or more of the shares as a result of purchasing the remaining shares after underwriting, and other circumstances stipulated by relevant regulatory authorities such as the CSRC, the supervisory and administrative authorities of the place(s) where the Company's shares are listed, and the stock exchanges. Where the listing rules of the place(s) where the Company's shares are listed provide otherwise, such provisions shall prevail. The stocks or other securities in the nature of equity held by the Directors, senior management and natural person Shareholders referred to in the preceding paragraph shall include the stocks or other securities in the nature of equity held by their spouses, parents, children, and held through the accounts of others.

If the Board of Directors of the Company fails to act in accordance with the preceding paragraph, the Shareholders shall have the right to demand the Board of Directors to act within 30 days. If the Board of Directors of the Company fails to act within the aforesaid period, the Shareholders shall have the right to initiate legal proceedings directly in the People's Court in their own names for the interest of the Company. If the Board of Directors of the Company fails to act in accordance with the preceding paragraph, the responsible Directors shall bear joint and several liability in accordance with laws.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall maintain a register of members in accordance with the evidence provided by the securities registry. The register of members shall be sufficient evidence of the Shareholders' holding of the Company's shares. The original register of members of H Shares listed in Hong Kong shall be kept in Hong Kong for inspection by Shareholders, provided that the Company may suspend the registration of shares in accordance with the applicable laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed or equivalent provisions (including the provisions equivalent to section 632 of the Companies Ordinance of Hong Kong). Shareholders shall enjoy rights and assume obligations according to the class of shares they hold; Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

When the Company convenes a Shareholders' meeting, distributes dividends, goes into liquidation or engages in other acts requiring the identification of Shareholders, the Board of Directors or the convener of the Shareholders' meeting shall determine the record date. The Shareholders whose names appear on the register of members after the close of business on the record date shall be the Shareholders entitled to the relevant rights and interests. Where laws, administrative regulations, departmental rules, normative documents and the stock exchanges or regulatory authorities of the place(s) where the Company's shares are listed have provisions on the period of closure of the register of members, such provisions shall prevail.

The Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of profit distribution in proportion to the shares held by them;

(2) to request, convene, preside over, attend or appoint a proxy to attend Shareholders' meetings according to laws, speak at the Shareholders' meetings, and exercise the corresponding voting rights (unless individual Shareholders are required to abstain from voting on specific matters pursuant to the regulatory rules of the place(s) where the Company's shares are listed, such as the Hong Kong Listing Rules);

(3) to supervise the Company's operations, and put forward proposals or raise inquiries;

(4) to transfer, gift or pledge the shares held by them in accordance with laws, administrative regulations, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, and the Articles of Association;

(5) to inspect and copy the Articles of Association, register of members, minutes of Shareholders' meetings, resolutions of the Board meetings, financial and accounting reports, and register of bondholders. Shareholders meeting the prescribed criteria may inspect the Company's accounting books and accounting vouchers. Where the securities regulatory rules of the place(s) where the Company's shares are listed provide otherwise, such provisions shall prevail;

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

(7) to request the Company to repurchase their shares if they object to resolutions of the Shareholders' meeting concerning the merger or division of the Company;

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

In addition to the above rights, Shareholders individually or jointly holding 3% or more of the Company's shares for 180 consecutive days or more shall have the right to inspect the Company's accounting books and accounting vouchers.

Shareholders who request to inspect the aforementioned relevant information or obtain data shall comply with the provisions of laws and administrative regulations such as the Company Law, the Securities Law, the Hong Kong Listing Rules and the securities regulatory rules of the place(s) where the Company's shares are listed, and provide written documents proving the shares they hold in the Company and the number of such shares. The Company shall provide such information according to the Shareholders' requests after verifying their identities.

If a resolution of the Shareholders' meeting or the Board of Directors of the Company violates laws or administrative regulations, the Shareholders shall have the right to request the People's Court to declare it invalid. If the convening procedures or voting methods of the Shareholders' meeting or the Board meeting violate laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, the Shareholders shall have the right to request the People's Court to revoke it within 60 days from the date the resolution is made. However, this does not apply if the convening procedures or voting methods of the Shareholders' meeting or the Board meeting only have minor defects that do not have a material impact on the resolution. Shareholders who are not notified to attend the Shareholders' meeting may request the People's Court to revoke the resolution within 60 days from the date they know or should have known of the resolution being made; if the right of revocation is not exercised within one year from the date the resolution is made, such right shall be extinguished.

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

(1) no Shareholders' meeting or Board meeting was convened to make the resolution;

(2) the Shareholders' meeting or Board meeting did not vote on the matters to be resolved;

(3) the number of persons attending the meeting or the voting rights held by them does not reach the number or voting rights stipulated by the Company Law or the Articles of Association;

(4) the number of persons agreeing to the resolution or the voting rights held by them does not reach the number or voting rights stipulated by the Company Law or the Articles of Association.

If a resolution of the Shareholders' meeting or the Board of Directors is declared invalid, revoked or confirmed as unestablished by the People's Court, the civil legal relations formed between the Company and bona fide counterparties based on such resolution shall not be affected.

If Directors (other than Audit Committee members) or senior management violate laws, administrative regulations or the Articles of Association in the course of performing their duties, resulting in losses to the Company, Shareholders individually or jointly holding 1% or more of the Company's voting shares for 180 consecutive days or more shall have the right to request the Audit Committee in writing to initiate legal proceedings in the People's Court; if the Audit Committee violates laws, administrative regulations or the Articles of Association in the course of performing its duties, resulting in losses to the Company, the aforementioned Shareholders may request the Board of Directors in writing to initiate legal proceedings in the People's Court.

If the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receiving a written request from the Shareholders as prescribed in the preceding paragraph, or fails to initiate legal proceedings within 30 days of receiving such request, or if the situation is urgent and failure to initiate legal proceedings immediately will cause irreparable damage to the Company's interests, the Shareholders prescribed in the preceding paragraph shall have the right to directly initiate legal proceedings in the People's Court in their own names for the interest of the Company.

If others infringe upon the legitimate rights and interests of the Company, resulting in losses to the Company, the Shareholders prescribed above may initiate legal proceedings in the People's Court in accordance with the preceding provisions.

If the directors, supervisors (if any) or senior management of a wholly-owned subsidiary of the Company violate laws, administrative regulations or the Articles of Association in the course of performing their duties, resulting in losses to the Company, or if others infringe upon the legitimate rights and interests of the wholly-owned subsidiary of the Company, resulting in losses, Shareholders individually or jointly holding 1% or more of the Company's voting shares for 180 consecutive days or more may, in accordance with the preceding three paragraphs, request the board of supervisors or the board of directors of the wholly-owned subsidiary in writing to initiate legal proceedings in the People's Court, or directly initiate legal proceedings in the People's Court in their own names.

If Directors or senior management violate laws, administrative regulations or the Articles of Association, damaging the interests of Shareholders, the Shareholders may initiate legal proceedings in the People's Court. If the controlling Shareholder(s) or actual controller(s) of the Company instruct Directors or senior management to engage in acts that harm the interests of the Company or Shareholders, they shall bear joint and several liability with such Directors or senior management.

The Shareholders of the Company shall assume the following obligations:

(1) to abide by laws, administrative regulations, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, and the Articles of Association, and to keep the Company's commercial secrets confidential;

(2) to pay subscription monies according to the shares subscribed and the method of subscription;

(3) not to withdraw their equity except under circumstances stipulated by laws and administrative regulations;

(4) not to abuse their Shareholder rights to the detriment of the interests of the Company or other Shareholders; not to abuse the Company's independent legal person status and Shareholders' limited liability to the detriment of the interests of the Company's creditors;

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

Shareholders holding 5% or more of the Company's voting shares who pledge their shares shall submit a written report to the Company on the day such fact occurs.

The controlling Shareholder(s) and actual controller(s) of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, and the provisions of the CSRC and the stock exchange(s) in the place(s) where the Company's shares are listed, to safeguard the interests of the listed company.

If the controlling Shareholder(s) or actual controller(s) of the Company instruct Directors or senior management to engage in acts that harm the interests of the Company or Shareholders, they shall bear joint and several liability with such Directors or senior management.

GENERAL PROVISIONS ON THE SHAREHOLDERS' MEETINGS

The Shareholders' meeting of the Company shall be composed of all Shareholders. The Shareholders' meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:

(1) to elect and replace Directors, and to decide on matters concerning the remuneration of Directors;

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

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

(4) to pass resolutions on the increase or reduction of the Company's registered capital;

(5) to pass resolutions on the issuance of corporate bonds;

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

(7) to amend the Articles of Association;

(8) to pass resolutions on the engagement or dismissal of accounting firms undertaking the Company's audit business and matters concerning their remuneration;

(9) to consider and approve the guarantee matters that are required to be considered and approved by the Shareholders' meeting;

(10) to consider the Company's purchases or disposals of material assets within one year exceeding 30% of the Company's latest audited total assets;

(11) to consider and approve matters concerning the change in the use of proceeds;

(12) to consider the stock incentive plans and employee stock ownership plans;

(13) to consider other matters that shall be decided by the Shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, or the Articles of Association.

The Shareholders' meeting may authorize the Board of Directors to pass resolutions on the issuance of corporate bonds. The specific execution of the issuance of corporate bonds resolved by the Shareholders' meeting or resolved by the Board of Directors as authorized by the Shareholders' meeting shall comply with the provisions of laws, administrative regulations, the CSRC and the Hong Kong Stock Exchange.

Except as otherwise provided by laws, administrative regulations, provisions of the CSRC, the securities regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, the functions and powers of the Shareholders' meeting mentioned in the preceding paragraph shall not be exercised by the Board of Directors or other institutions and individuals through authorization.

If the Company enters into a transaction that is required to be announced under the rules of the stock exchange(s) in the place(s) where the Company's shares are listed, it shall perform the corresponding approval and decision-making procedures and make disclosures in accordance with the provisions of the Hong Kong Listing Rules.

The following external guarantees of the Company shall be submitted to the Shareholders' meeting for consideration after being considered and approved by the Board of Directors:

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

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

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

(4) guarantees provided to guaranteed parties with a gearing ratio exceeding 70%;

(5) any single guarantee with an amount exceeding 10% of the Company's latest audited net assets;

(6) guarantees provided by the Company to Shareholders, actual controllers and their connected (related) parties;

(7) other guarantees stipulated by laws, administrative regulations, departmental rules, normative documents, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, or the Articles of Association.

If the Company provides guarantees to its wholly-owned subsidiaries, or provides guarantees to its holding subsidiaries while the other shareholders of such holding subsidiaries provide guarantees in the same proportion according to their entitled interests, and the interests of the Company are not impaired, such guarantees may be exempted from being submitted to the Shareholders' meeting for consideration. If the Company provides guarantees to connected persons (as defined in the Hong Kong Listing Rules), it shall comply with the applicable provisions of the Hong Kong Listing Rules (unless exempted by the Hong Kong Stock Exchange). When the Shareholders' meeting considers a proposal on providing guarantees to a Shareholder, the actual controller and their connected person(s), such Shareholder or the Shareholder controlled by such actual controller shall not participate in the voting on such matter, and such matter shall be passed by more than half of the voting rights held by other Shareholders attending the Shareholders' meeting.

When the Company enters into connected (related-party) transactions, it shall ensure the legality, necessity, reasonableness and fairness of the connected (related-party) transactions, maintain the independence of the Company, and shall not use connected (related-party) transactions to adjust financial indicators or harm the interests of the Company.

If the Company enters into a connected (related-party) transaction that is required to be announced under the rules of the stock exchange(s) in the place(s) where the Company's shares are listed, it shall perform the corresponding approval and decision-making procedures and make disclosures in accordance with the provisions of the Hong Kong Listing Rules.

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

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

(1) the number of Directors falls below the number stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;

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

(3) upon request by Shareholders individually or jointly holding 10% or more of the Company's voting shares;

(4) when deemed necessary by the Board of Directors;

(5) upon proposal by the Audit Committee;

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

CALLING OF SHAREHOLDERS' MEETING

Shareholders' meetings shall be convened by the Board of Directors.

With the consent of more than half of all independent non-executive Directors, the independent non-executive Directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. Regarding the proposal of the independent non-executive Directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the provisions of the Articles of Association, give written feedback on agreeing or disagreeing to convene the extraordinary general meeting within 10 days after receiving the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five days after the resolution of the Board of Directors is made; if the Board of Directors disagrees to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, and shall put forward its proposal to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the provisions of the Articles of Association, give written feedback on agreeing or disagreeing to convene the extraordinary general meeting within 10 days after receiving the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five days after the resolution of the Board of Directors is made, and any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee. If the Board of Directors disagrees to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the proposal, it shall be deemed that the Board of Directors is unable to or fails to perform the duty of convening the general meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders individually or jointly holding 10% or more of the voting shares of the Company (excluding the voting rights attached to treasury Shares) shall have the right to request the Board of Directors to convene an extraordinary general meeting and to add proposals to the meeting agenda, and such request shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the provisions of the Articles of Association, give written feedback on agreeing or disagreeing to convene the extraordinary general meeting within 10 days after receiving the request. If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five days after the resolution of the Board of Directors is made, and any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders. If the Board of Directors disagrees to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, Shareholders individually or jointly holding 10% or more of the Company's voting shares shall have the right to propose to the Audit Committee to convene an extraordinary general meeting, and such request shall be made to the Audit Committee in writing. If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five days after receiving the request, and any changes to the original proposal in the notice shall be subject to the consent of the relevant Shareholders. If the Audit Committee fails to issue a notice of the general meeting within the prescribed period, it shall be deemed that the Audit Committee will not convene and preside over the general meeting, and Shareholders individually or jointly holding 10% or more of the Company's voting shares for 90 consecutive days or more may convene and preside over the meeting on their own. If the Audit Committee or the Shareholders decide to convene the general meeting on their own, they must notify the Board of Directors in writing, and at the same time, complete the necessary reporting, announcement or filing (if required) in accordance with applicable regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules. Prior to the announcement of the resolution 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 the resolution of the general meeting, submit relevant proving materials (if required) to the Hong Kong Stock Exchange in accordance with applicable regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, and complete the necessary reporting or announcements.

PROPOSALS AND NOTICES OF SHAREHOLDERS' MEETING

The content of a proposal shall fall within the scope of authority of the Shareholders' meeting, include a clear agenda and specific matters to be resolved, and comply with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the Articles of Association.

Where the Company convenes a Shareholders' meeting, the Board of Directors, the Audit Committee, and Shareholder(s) individually or jointly holding 1% or more of the voting shares of the Company shall have the right to make proposals to the Company.

Shareholder(s) individually or jointly holding 1% or more of the voting shares of the Company may submit ad hoc proposals in writing to the convener ten days before the convening of the Shareholders' meeting. Ad hoc proposals shall have clear agenda and specific matters to be resolved. The convener shall issue a supplemental notice of the Shareholders' meeting within two days upon receipt of the proposal to announce the content of the ad hoc proposal, and submit such ad hoc proposal to the Shareholders' meeting for consideration; provided that the ad hoc proposal does not violate the provisions of laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, or fall outside the scope of authority of the Shareholders' meeting. Where the Shareholders' meeting is required to be adjourned due to the publication of the supplemental notice of the Shareholders' meeting in accordance with the provisions of the securities regulatory rules of the place(s) where the Company's shares are listed, the convening of the Shareholders' meeting shall be adjourned in accordance with the provisions of the securities regulatory rules of the place(s) where the Company's shares are listed. Except for the circumstances provided in the preceding paragraph, the convener shall not amend the proposals already set out in the notice of the Shareholders' meeting or add any new proposals after the notice of the Shareholders' meeting has been issued.

The Shareholders' meeting shall not vote and adopt resolutions on proposals not set out in the notice of the Shareholders' meeting or not in compliance with the Articles of Association.

The convener shall notify all Shareholders by way of announcement at least 21 days before the convening of an annual general meeting, and notify all Shareholders by way of announcement at least 15 days before the convening of an extraordinary general meeting. In determining the commencement date of the period, the Company shall not include the date on which the notice is issued and the date on which the meeting is convened.

The notice of a Shareholders' meeting shall include the following content:

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

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

(3) a clear statement in writing that: all Shareholders have the right to attend the Shareholders' meeting, and may appoint a proxy in writing to attend the meeting and vote on his/her behalf, and that such proxy need not be a Shareholder of the Company;

(4) the record date for determining the Shareholders who have the right to attend the Shareholders' meeting;

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

(6) the timing and procedures for voting through the internet or by other means;

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

The notice of the Shareholders' meeting and any supplemental notice shall fully and comprehensively disclose the specific details of all proposals. Where the matters to be discussed require the independent non-executive Directors to express their opinions, the notice of the Shareholders' meeting or the supplemental notice shall also include the opinions of the independent non-executive Directors and the reasons therefor.

The interval between the record date and the date of the meeting shall not be more than seven working days. Once the record date is confirmed, it shall not be changed.

Where the election of Directors is proposed to be discussed at a Shareholders' meeting, the notice of the Shareholders' meeting shall fully disclose the detailed information about the candidates for Directors, including at least the following:

(1) personal particulars such as educational background, working experience and concurrent positions;

(2) whether there is any connected (affiliated) relationship with the Company or the controlling Shareholder(s) and actual controller(s) of the Company;

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

(4) whether he/she has been subject to penalties imposed by the CSRC and other relevant authorities and disciplinary actions by the stock exchange;

(5) whether he/she meets other eligibility requirements for office as stipulated by laws, administrative regulations and the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules.

Each candidate for Director shall be proposed as a separate proposal.

After the notice of a Shareholders' meeting is issued, the Shareholders' meeting shall not be postponed or cancelled without just cause, nor shall any proposals set out in the notice of the Shareholders' meeting be withdrawn. In the event of a postponement or cancellation, the convener shall issue a public announcement at least two working days prior to the originally scheduled date and explain the reasons. Where the securities regulatory rules of the place(s) where the Company's shares are listed contain specific provisions regarding the procedures for postponing or cancelling a Shareholders' meeting, such provisions shall prevail, provided that they do not conflict with domestic regulatory requirements.

CONVENING OF SHAREHOLDERS' MEETINGS

All Shareholders on the register of members as of the record date or their proxies shall be entitled to attend the Shareholders' meeting and exercise their voting rights in accordance with relevant laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the Articles of Association (unless individual Shareholders are required by the securities regulatory rules of the place(s) where the Company's shares are listed to abstain from voting on specific matters). Shareholders have the right to speak at a Shareholders' meeting.

A Shareholder may attend a Shareholders' meeting in person, or may appoint a proxy to attend, speak and vote on his/her behalf, and such proxy need not be a Shareholder of the Company.

A Shareholders' meeting shall be presided over by the Chairman of the Board of Directors. Where the Chairman is unable to perform his/her duties or fails to do so, a Director jointly nominated by a majority of the Directors shall preside. A Shareholders' meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable to perform his/her duties or fails to do so, a member of the Audit Committee jointly nominated by a majority of the Audit Committee members shall preside. A Shareholders' meeting convened by the Shareholders themselves shall be presided over by the convener or a representative nominated by the convener.

If, during a Shareholders' meeting, the presiding officer violates the rules of procedure to the extent that the meeting cannot continue, the meeting may, with the consent of a majority of the Shareholders present at the meeting who hold voting rights, nominate another person to serve as presiding officer and continue the meeting.

The Company shall formulate the rules of procedures for Shareholders' meetings, which shall specify in detail the procedures for convening and voting at such meetings, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, meeting minutes and the signing thereof, as well as the principles governing the authorization of the Board of Directors by the Shareholders' meeting; the scope of such authorization shall be clear and specific. The rules of procedures for Shareholders' meetings shall be attached to the Articles of Association, drafted by the Board of Directors and approved by the Shareholders' meeting.

At an annual general meeting, the Board of Directors shall report to the Shareholders' meeting on its work over the past year.

Directors and senior management shall provide explanations and clarifications regarding Shareholders' inquiries and suggestions at the Shareholders' meeting.

The chairperson of the meeting shall, prior to voting, announce the number of Shareholders and proxies present at the meeting and the total number of voting shares held by them. The number of Shareholders and proxies present at the meeting and the total number of voting shares held by them shall be determined based on the meeting registration records.

Minutes shall be kept for each Shareholders' meeting, and the secretary to the Board of Directors shall be responsible for this.

The convener shall ensure that the content of the minutes is true, accurate and complete. The Directors, the secretary to the Board of Directors, the convener or their representatives in attendance, and the chairperson of the meeting shall sign the minutes. The minutes shall be retained together with the sign-in sheet for Shareholders present in person, the proxy forms for those attending by proxy, and valid records of voting results via the internet or other means, for a period of ten years.

The convener shall ensure that the Shareholders' meeting is held continuously until a final resolution is adopted. In the event that the Shareholders' meeting is suspended or unable to adopt a resolution due to force majeure or other special circumstances, necessary measures shall be taken to resume the Shareholders' meeting as soon as possible or to terminate the current meeting directly, and announcements or reports shall be made in a timely manner in accordance with the provisions of laws, administrative regulations, departmental rules, and the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules.

VOTING AND RESOLUTIONS AT SHAREHOLDERS' MEETINGS

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

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

(1) work reports of the Board of Directors;

(2) profit distribution plans and loss recovery plans formulated by the Board of Directors;

(3) appointment and removal of the members of the Board of Directors, their remuneration and methods of payment;

(4) any other matters not required by laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, to be adopted by a special resolution.

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

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

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

(3) amendments to the Articles of Association;

(4) the Company's purchases or disposals of material assets or provisions of guarantees within one year exceeding 30% of the Company's latest audited total assets;

(5) stock incentive plans;

(6) other matters stipulated by laws, administrative regulations, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed or the Articles of Association, as well as other matters determined by the Shareholders' meeting through an ordinary resolution to have a material impact on the Company and requiring approval by a special resolution.

If, at any time, the Company's share capital is divided into different classes of shares, any proposal by the Company to alter or abolish the rights of Shareholders of a particular class shall be subject to approval by a special resolution passed by the Shareholders of the affected class at a separately convened Shareholders' meeting.

Shareholders (including proxies) shall exercise their voting rights based on the number of voting shares they represent, with each share carrying one vote.

Shares of the Company held by the Company itself shall not carry voting rights, and such shares shall not be counted toward the total number of voting shares present at a Shareholders' meeting.

Where a Shareholder purchases voting shares of the Company in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights attached to the portion of shares exceeding the prescribed ratio shall not be exercised for a period of 36 months following the purchase, and such shares shall not be counted toward the total number of voting shares present at the Shareholders' meeting. If the regulatory rules of the place(s) where the Company's shares are listed, such as the Hong Kong Listing Rules, require any Shareholder to abstain from voting on a particular resolution, or restrict any Shareholder to vote only in favor of (or against) a particular resolution, any votes cast by such Shareholders or their proxies in violation of such provisions or restrictions shall not be counted.

The Company's Board of Directors, independent non-executive Directors, Shareholders holding 1% or more of voting shares, or investor protection organizations established in accordance with laws, administrative regulations or the provisions of the CSRC may publicly solicit Shareholders' voting rights. When soliciting Shareholders' voting rights, the solicitor shall fully explain to the Shareholders being solicited information such as the specific voting intentions. It is prohibited to solicit Shareholders' voting rights in exchange for compensation or through disguised forms of compensation. Except as required by laws, the Company shall not impose a minimum shareholding ratio requirement on the solicitation of voting rights.

When the Shareholders' meeting deliberates on matters related to connected (related-party) transactions, connected (affiliated) Shareholders shall not participate in the voting; the number of voting shares held by them shall not be counted in the total number of valid votes, and they shall not exercise voting rights on behalf of other Shareholders. The announcement of the Shareholders' meeting resolution shall fully disclose the voting results of non-connected (non-affiliated) Shareholders.

The list of candidates for Directors shall be submitted to the Shareholders' meeting for voting in the form of a proposal.

When the Shareholders' meeting votes on the election of Directors, it may adopt a cumulative voting system in accordance with the provisions of the Articles of Association or the resolutions of the Shareholders' meeting. When the Shareholders' meeting elects two or more independent non-executive Directors, it shall adopt a cumulative voting system. Where the Shareholders' meeting elects Directors by cumulative voting, voting for independent non-executive Directors and other Directors shall be conducted separately, and the Directors to be elected shall be determined based on the number of Directors to be elected, in descending order of the number of votes received. Where the cumulative voting system is not adopted for the election of Directors, each candidate for Director shall be proposed as a separate proposal. The cumulative voting system referred to above means that, when the Shareholders' meeting elects Directors, each share carries a number of votes equal to the number of Directors to be elected, and Shareholders may pool their votes. Where the Hong Kong Listing Rules contain separate provisions regarding the methods and procedures for nominating company directors, such provisions shall prevail.

Except for the cumulative voting system, the Shareholders' meeting shall vote on all proposals item by item; where there are different proposals on the same matter, voting shall proceed in the order in which the proposals were submitted. Except where the Shareholders' meeting is suspended or unable to pass a resolution due to force majeure or other special circumstances, the Shareholders' meeting shall not defer or refrain from voting on any proposal.

When the Shareholders' meeting deliberates on proposals, no amendments to the proposals shall be made; otherwise, such amendments shall be deemed a new proposal and may not be put to a vote at this Shareholders' meeting.

DIRECTORS AND BOARD OF DIRECTORS

General Provisions on Directors and the Board of Directors

A Director of the Company shall be a natural person. A person shall not serve as a Director of the Company if any of the followings apply to them:

(1) having no civil capacity or having restricted civil capacity;

(2) having been penalized for corruption, bribery, embezzlement of property, misappropriation of property or disrupting the order of the market economy, or having been deprived of political rights for committing a crime, where less than five years have elapsed since the completion of the execution of the penalty, or having been placed on probation, where less than two years have elapsed since the expiry of the probation period;

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

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

(5) having failed to repay a relatively large amount of personal debt upon maturity and having been listed as a dishonest person subject to enforcement by the People's Court;

(6) being subject to a measure of prohibition from accessing the securities market imposed by the CSRC, the rules of the securities regulatory authorities in the place(s) where the Company's shares are listed or the Hong Kong Stock Exchange, where the term has not yet expired;

(7) being deemed as unfit to serve as a director, senior management member and other roles of a listed company by the securities regulatory rules of the place(s) where the Company's shares are listed where the term has not yet expired;

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

If a Director is elected or appointed in violation of the provisions of the preceding paragraph, such election, appointment or engagement shall be invalid. If any of the circumstances specified in the preceding paragraph occurs to a Director during their term of office, the Company shall remove them from office and cease their duties.

Directors shall be elected or replaced by the Shareholders' meeting, and may be removed from office by the Shareholders' meeting prior to the expiry of their term of office. The term of office of a Director shall be three years, and a Director is eligible for re-election and re-appointment upon the expiry of their term of office.

The term of office of a Director shall commence from the date of assumption of office until the expiry of the term of the current Board of Directors. Where a re-election is not carried out in a timely manner upon the expiry of the term of office of a Director, prior to the assumption of office by the newly elected Director, the original Director shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the provisions of the Articles of Association.

Subject to compliance with the relevant laws and administrative regulations, Shareholders at a Shareholders' meeting may, by way of an ordinary resolution, remove any Director (including the general manager or other executive Directors) whose term of office has not expired, which shall be without prejudice to any claim for damages such Director may make pursuant to any contract.

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

A Director may be concurrently served by a member of the senior management, provided that the total number of Directors concurrently serving as members of the senior management and Directors acting as employee representatives shall not exceed one-half of the total number of Directors of the Company.

Directors shall abide by laws, administrative regulations and the provisions of the Articles of Association, be loyal to the Company, take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not abuse their positions and powers to seek improper benefits.

Directors owe the following duties of loyalty to the Company:

(1) not to embezzle the Company's property or misappropriate the Company's funds;

(2) not to open accounts in their own names or in the names of other individuals to deposit the Company's funds;

(3) not to abuse their powers to accept bribes or other illegal income;

(4) not to directly or indirectly enter into contracts or conduct transactions with the Company, unless they have reported to the Board of Directors or the Shareholders' meeting, and such contracts or transactions have been approved by a resolution of the Board of Directors or the Shareholders' meeting in accordance with the provisions of the Articles of Association;

(5) not to take advantage of their positions to seek commercial opportunities belonging to the Company for themselves or others, unless they have reported to the Board of Directors or the Shareholders' meeting, and have been approved by a resolution of the Shareholders' meeting in accordance with the provisions of laws, administrative regulations or the Articles of Association;

(6) not to operate businesses of the same nature as those of the Company for themselves or for others, unless they have reported to the Board of Directors or the Shareholders' meeting, and have been approved by a resolution of the Shareholders' meeting;

(7) not to accept and appropriate as their own any commissions from transactions between others and the Company;

(8) not to disclose the Company's confidential information without authorization;

(9) not to exploit their connected or affiliated relationships to damage the interests of the Company;

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

Any revenue obtained by a Director in violation of the provisions of the preceding paragraph shall belong to the Company; if any loss is caused to the Company, such Director shall be liable for compensation.

The provisions of item (4) above shall apply where the close relatives of Directors and senior management members, the enterprises directly or indirectly controlled by the Directors, senior management members or their close relatives, and related persons having other affiliated relationships with the Directors and senior management members enter into contracts or conduct transactions with the Company.

Directors shall abide by laws, administrative regulations and the provisions of the Articles of Association, owe a duty of diligence to the Company, and shall, in the performance of their duties, exercise the reasonable care normally expected of a manager for the best interests of the Company.

Directors owe the following duties of diligence to the Company:

(1) to exercise the rights conferred by the Company with due caution, care and diligence, to ensure that the commercial actions of the Company comply with the requirements of national laws, administrative regulations and various national economic policies, and that its commercial activities do not exceed the business scope stipulated in the business license;

(2) to treat all Shareholders fairly;

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

(4) to sign written confirmations for the periodic reports of the Company, and to ensure that the information disclosed by the Company is true, accurate and complete;

(5) to truthfully provide relevant information and materials to the Audit Committee, and not to hinder the Audit Committee from exercising its functions and powers;

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

If a Director fails to attend the Board meetings in person for two consecutive times and does not entrust another Director to attend on their behalf, they shall be deemed incapable of performing their duties, and the Board of Directors shall propose to the Shareholders' meeting that they be removed. Subject to compliance with the securities regulatory rules of the place(s) where the Company's shares are listed, a Director attending a Board meeting by means of internet, video, telephone or other methods with equivalent effect shall also be deemed to have attended in person.

A Director may resign before the expiry of their term of office. A Director who resigns shall submit a written resignation report to the Board of Directors.

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

(1) where the resignation of a Director results in the number of members of the Board of Directors of the Company falling below the statutory minimum number (including where the number of independent non-executive Directors is less than three);

(2) 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 of Directors, or there being no independent non-executive Director possessing appropriate professional qualifications or appropriate accounting or related financial management expertise.

Under the above circumstances, prior to the assumption of office by the newly elected Director, the original Director shall continue to perform their duties in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, and the Articles of Association. Under the circumstance in the second item as above, the Company must immediately inform the Hong Kong Stock Exchange and publish an announcement to disclose the relevant details and reasons. The original nominator of such independent non-executive Director or the Board of Directors of the Company shall nominate a new candidate for independent non-executive Director within the period stipulated by laws, administrative regulations, departmental rules, and the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules.

The Company shall establish a departure management system for the Directors, specifying the safeguard measures for accountability and compensation regarding unfulfilled responsibilities. Upon the resignation taking effect or the expiry of the term of office, a Director shall complete all handover procedures with the Board of Directors, and their duty of loyalty to the Company and the Shareholders is not automatically discharged upon the end of their term of office. The departing Director's duty of confidentiality regarding the commercial secrets of the Company shall remain valid after their departure until such secrets become public information; the duration of other duties of loyalty shall be determined in accordance with the principle of fairness and the specific circumstances of the relevant matters. Where a Director and the Company have reached an agreement on the performance of the duty of loyalty, it shall be performed in accordance with such agreement.

Unless stipulated by the Articles of Association or legally authorized by the Board of Directors, no Director shall act on behalf of the Company or the Board of Directors in their personal capacity. When a Director acts in their personal capacity, under circumstances where a third party would reasonably believe that the Director is acting on behalf of the Company or the Board of Directors, the Director shall declare their position and identity in advance.

If a Director causes damage to others while performing their duties for the Company, the Company shall bear the liability for compensation; if the Director acts with intent or gross negligence, they shall also bear the liability for compensation. If a Director violates laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, or the provisions of the Articles of Association while performing their duties for the Company, causing loss to the Company, they shall bear the liability for compensation.

Board of Directors

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

The Board of Directors shall consist of seven Directors, of which three shall be independent non-executive Directors. The Board of Directors shall have one Chairman.

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

(1) to convene Shareholders' meetings to which it reports its work;

(2) to execute the resolutions of the Shareholders' meetings;

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

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

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

(6) to formulate plans for material acquisitions, purchases of shares of the Company, or merger, division, dissolution and changes in the corporate form of the Company;

(7) to decide on matters such as external investments, acquisition and disposal of assets, asset pledge, external guarantees, entrusted wealth management, connected transactions and external donations within the scope of authorization by the Shareholders' meeting;

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

(9) to decide on the appointment or dismissal of the general manager, the secretary to the Board of Directors and other senior management of the Company, and to decide on their remuneration, rewards and punishments; based on the nominations by the general manager, to decide on the appointment or dismissal of the deputy general manager, the person in charge of finance and other senior management of the Company, and to decide on their remuneration, rewards and punishments;

(10) to formulate the Company's basic management system;

(11) to formulate proposals for amending the Articles of Association;

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

(13) to propose to the Shareholders' meeting the appointment or replacement of the accounting firm that audits the Company;

(14) to attend to the work reports of the general manager of the Company and review the work of the general manager;

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

Matters beyond the scope of authorization by the Shareholders' meeting shall be submitted to the meeting for consideration.

The Board of Directors of the Company shall establish an audit committee to exercise the functions and powers of the supervisory committee stipulated in the Company Law. In addition to the audit committee, the Board of Directors shall establish other specialized committees, such as a nomination committee, and a remuneration and appraisal committee (if needed). The members of each specialized committee of the Board of Directors shall be elected by the Board of Directors.

The specialized committees shall be accountable to the Board of Directors, perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. The members of the specialized committees shall consist entirely of Directors. The specific composition and qualification requirements shall be governed by the provisions of laws such as the Company Law, administrative regulations, departmental rules, and the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules. The Board of Directors shall be responsible for formulating the working rules for the specialized committees to regulate the operations of the specialized committees.

The Board of Directors of the Company shall provide an explanation to the Shareholders' meeting regarding any extraordinary audit opinion by the certified public accountants on the financial reports of the Company.

The Board of Directors shall formulate the rules of procedure for the Board meetings to ensure the implementation of resolutions of the Shareholders' meeting by the Board of Directors, improve working efficiency and ensure scientific decision-making. The rules of procedure for the Board meetings shall be annexed to the Articles of Association, formulated by the Board of Directors and approved by the Shareholders' meeting.

The Board of Directors shall determine the authority for external investments, acquisition and disposal of assets, asset pledge, external guarantees, entrusted wealth management, connected (related-party) transactions and external donations, and establish strict examination and decision-making procedures; for material investment projects, relevant experts' and professionals' evaluations shall be arranged, and such projects shall be reported to the Shareholders' meeting for approval. Transactions or matters occurring in the Company that are required to be submitted to the Board of Directors for consideration as stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, shall be executed in accordance with the corresponding provisions.

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

The Chairman shall exercise the following functions and powers:

(1) to preside over Shareholders' meetings and to convene and preside over meetings of the Board of Directors;

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

(3) to sign important documents of the Board of Directors or other documents that shall be signed by the legal representative of the Company;

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

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

In the event that the Chairman of the Company is unable or fails to perform his/her duties, a Director jointly elected by more than half of the Directors shall perform such duties.

The Board of Directors shall hold at least four regular meetings annually at approximately quarterly intervals. The meetings shall be convened by the Chairman, and a notice of the meeting shall be given to all Directors by written form, mail, fax, email or hand delivery at least fourteen days before the meeting is convened.

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

To convene an extraordinary meeting of the Board of Directors, the office of the Board of Directors shall issue a notice of the meeting by written form, mail, telephone, fax, email or other means at least two days before the meeting is convened (excluding the day of the meeting). Where the meeting notice is not served by direct delivery, it shall also be confirmed by telephone and recorded accordingly. In emergency where an extraordinary meeting of the Board of Directors needs to be convened as soon as possible, the aforementioned restriction on the notice period of the meeting shall not apply, and a notice of the meeting may be given by telephone or other verbal means at any time, provided that the convener shall provide an explanation at the meeting.

A meeting of the Board of Directors shall only be held if more than half of the Directors (including proxies) are present. Resolutions of the Board of Directors must be passed by more than half of all Directors. Where relevant laws, administrative regulations, departmental rules, the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules provide otherwise regarding matters related to the resolutions of the Board of Directors, such provisions shall prevail.

Voting on resolutions of the Board of Directors shall be based on the principle of one vote per person. When the number of votes in favour of and against a proposal are equal, the Board of Directors may reconsider and vote on such matters again; if there is a tie for three consecutive times, such matters shall be submitted to the Shareholders' meeting for consideration.

If a Director is connected or affiliated to an enterprise or individual involved in a matter to be resolved at a Board meeting, such Director shall promptly report to the Board of Directors in writing, and the connected or affiliated Director shall not exercise his/her voting rights on such resolution, nor shall he/she act as a proxy for other Directors to exercise voting rights. Such Board meeting may be held if more than half of the Directors who are not connected or affiliated are present, and the resolutions made at the Board meeting shall be passed by more than half or two-thirds or more (as the case may be) of the Directors not connected or affiliated thereof. If the number of Directors not connected or affiliated who attended the Board meeting is less than three, the matter shall be submitted to the Shareholders' meeting for consideration.

The voting method for resolutions of the Board of Directors shall be open ballot in writing.

Board meetings shall principally be held physically. Where necessary, on the premise of ensuring that Directors can fully express their opinions and in compliance with the regulatory rules of the place(s) where the Company's shares are listed, subject to the consent of the convener, meetings may be held by video, telephone, fax or email. If a Board meeting is not held physically, the number of Directors attending the meeting shall be calculated based on the Directors shown as present by video, the Directors shown as attending in the teleconference system, the valid voting tickets actually received by fax or email within the stipulated period, or the valid documentary proof of attendance submitted by Directors after the meeting. During voting by communication means, Directors shall send their written opinions and voting intentions on the matters under consideration to the Board of Directors by fax, email or other means after signing for confirmation, based on which the Board of Directors shall count the voting results and form a resolution of the Board meeting. If laws, regulations and the securities regulatory rules of the place(s) where the Company's shares are listed impose any additional restrictions on the participation and voting of Directors at Board meetings, such provisions shall prevail.

Directors shall attend Board meetings in person; if a Director is unable to attend for any reason, he/she may appoint another person in writing to attend on his/her behalf. The power of attorney shall specify the name of the proxy, the matters to be represented, the scope of authorization and the valid period, and shall be signed or sealed by the principal. The representative attending the meeting on behalf of the Director shall exercise the rights of the Director within the scope of authorization. A Director who fails to attend a Board meeting and fails to appoint a proxy to attend shall be deemed to have waived his/her voting rights at such meeting. A Director shall not accept appointments from more than two Directors to attend a Board meeting on their behalf. When considering connected (related-party) transaction, unconnected or unaffiliated Directors shall not appoint a connected or affiliated Director to attend the meeting on their behalf.

The Board of Directors shall keep minutes of decisions on matters discussed at the meetings, and the Directors attending the meeting shall sign the minutes.

The minutes of Board meetings shall be kept as Company archives for a retention period of ten years.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-executive Directors must maintain their independence. Matters relating to the qualifications, nomination and election procedures, and powers and duties of independent non-executive Directors shall be implemented according to the relevant provisions of laws, regulations, and the securities rules of the place(s) where the Company's shares are listed. Independent non-executive Directors shall conduct an annual self-assessment of their independence and submit the self-assessment result to the Board of Directors. The Board of Directors shall annually evaluate the independence of the incumbent independent non-executive Directors and issue a special opinion, which shall be disclosed simultaneously with the annual report.

As members of the Board of Directors, independent non-executive Directors owe duties of loyalty and duties of diligence to the Company and all Shareholders, and shall prudently perform the following duties:

(1) participating in the decision-making of the Board of Directors and expressing clear opinions on the matters under consideration;

(2) supervising matters involving potential material conflicts of interest between the Company and its controlling Shareholder, actual controllers, Directors, and senior management members, and protecting the lawful rights and interests of minority Shareholders;

(3) providing professional and objective advice on the operation and development of the Company, and facilitating the improvement on the standard of decision-making of the Board of Directors;

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

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

(1) independently engaging intermediary agencies to conduct audit, consultation, or verification on specific matters of the Company;

(2) proposing to the Board of Directors to convene an extraordinary Shareholders' meeting;

(3) proposing to convene a meeting of the Board of Directors;

(4) publicly soliciting Shareholder rights from the Shareholders pursuant to laws;

(5) expressing independent opinions on matters that may prejudice the rights and interests of the Company or minority Shareholders;

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

The exercise of the powers listed in items 1 to 3 of the preceding paragraph by independent non-executive Directors shall be subject to the consent of more than half of all independent non-executive Directors.

Where independent non-executive Directors exercise the powers listed in the first paragraph, the Company shall disclose the same in a timely manner. If the above powers cannot be exercised normally, 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:

(1) connected transactions that shall be disclosed;

(2) plans for alteration or waiver of commitments by the Company and related parties;

(3) decisions made and measures taken by the board of directors of the listed company being acquired in response to the acquisition; and

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

The Company shall establish a special meeting mechanism attended exclusively by independent non-executive Directors. Where the Board of Directors considers matters such as connected transactions, such matters shall be endorsed in advance 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. The matters listed in items (1) to (3) of the first paragraph among the powers of independent non-executive Directors stipulated in the Articles of Association, and the matters stipulated in the Articles of Association which require the consent of more than half of all independent non-executive Directors of the Company before being submitted to the Board of Directors for consideration, shall be considered at a special meeting of independent non-executive Directors.

Special meetings of independent non-executive Directors may examine and discuss other matters of the Company as needed.

A special meeting of independent non-executive Directors shall be convened and chaired by an independent non-executive Director jointly elected by more than half of the independent non-executive Directors; where the convener fails or is unable to perform their duties, two or more independent non-executive Directors may convene the meeting on their own and elect a representative to chair the meeting.

Special meetings of independent non-executive Directors shall keep minutes pursuant to regulations, and the opinions of the independent non-executive Directors shall be recorded in the minutes. The independent non-executive Directors shall sign to confirm the meeting minutes.

SENIOR MANAGEMENT

The Company shall have a general manager, deputy general managers (if needed), a person in charge of finance, and a secretary to the Board of Directors, who shall be appointed or dismissed by the Board of Directors.

The senior management of the Company shall include the general manager, deputy general managers (if needed), the person in charge of finance, the secretary to the Board of Directors, and other senior management members recognized 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 and the resignation management system shall also apply to the senior management.

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

Persons who hold administrative positions other than directors and supervisors in the entities of the controlling Shareholders of the Company shall not serve as the senior management of the Company. The senior management of the Company shall only receive remuneration from the Company, and their remuneration shall not be paid by the controlling Shareholders on behalf of the Company.

The general manager shall serve a term of three years, and may be reappointed for consecutive terms.

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

(1) to preside over the production, operation and management of the Company, organize the implementation of the resolutions of the Board of Directors, and report on their work to the Board of Directors;

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

(3) to formulate plans for the establishment of the Company's internal management structures;

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

(5) to formulate specific rules and regulations of the Company;

(6) to propose to the Board of Directors the appointment or dismissal of the deputy general manager, the person in charge of finance, the secretary to the Board of Directors, and other senior management members;

(7) to decide on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board of Directors;

(8) to consider and approve general connected transactions, other than those required to be submitted to the Board of Directors or the Shareholders' meeting for approval pursuant to the Articles of Association;

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

(10) to decide on the establishment of wholly-owned subsidiaries and/or branch offices of the Company; and

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

The general manager shall attend the meetings of the Board of Directors.

The general manager shall formulate the detailed working rules of the general manager, which shall be implemented upon approval by the Board of Directors.

The detailed working rules of the general manager shall include the following:

(1) conditions, procedures, and attendees of the general manager's office meetings;

(2) specific duties and division of responsibilities of the general manager and other senior management members;

(3) the authority to utilize the Company's funds and assets and to sign significant contracts, as well as the reporting system to the Board of Directors;

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

The general manager may resign prior to the expiration of their term of office. The specific procedures and methods concerning the resignation of the general manager shall be stipulated in the employment contract between the general manager and the Company.

Candidates for deputy general managers shall be nominated by the general manager, and their appointment or dismissal shall be decided by the Board of Directors at a meeting. The deputy general managers shall be accountable to the general manager, perform their respective duties pursuant to the authority granted by the general manager, and assist the general manager in their work.

The Company shall have a secretary to the Board of Directors, who shall be responsible for the preparation of the Shareholders' meetings and Board meetings, custody of documents, management of the Company's Shareholders' information, and handling matters such as information disclosure and investor relations management.

The secretary to the Board of Directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, as well as the Articles of Association.

Where any senior management member, in the course of performing their duties for the Company, violates laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other regulatory rules of the place(s) where the Company's shares are listed, or the provisions of the Articles of Association, thereby causing losses to the Company, they 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 the senior management of the Company fails to faithfully perform their duties or breaches their fiduciary duties, thereby causing damage to the interests of the Company and its Shareholders, they shall be liable for compensation according to laws.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting Systems and Profit Distribution

The Company shall prepare, publish and distribute its annual reports and interim reports pursuant to the provisions of relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place(s) where the Company's shares are listed. The Company shall not keep any accounting books other than the statutory accounting books. The funds of the Company shall not be deposited in any account opened in the name of any individual.

When distributing its after-tax profits of the current year, the Company shall allocate 10% of the profits to its statutory reserve fund. Where the accumulated amount of the statutory reserve fund reaches 50% or more of the Company's registered capital, no further allocation is required. Where the statutory reserve fund of the Company is insufficient to make up for the losses of the Company in previous years, before allocation to the statutory reserve fund pursuant to the preceding paragraph, the profits of the current year shall be used to make up for such losses.

By resolution of the Shareholders' meeting, the Company may also allocate a discretionary reserve fund from its after-tax profits after allocation is made to the statutory reserve fund from its after-tax profits.

The remaining after-tax profits of the Company after making up for losses and making allocations to the reserve funds shall be distributed in proportion to the shareholdings of the Shareholders, unless all Shareholders unanimously agree not to distribute in proportion to their shareholdings. Where the Company distributes profits to the Shareholders in violation to the preceding paragraph, the Shareholders shall return the profits distributed in violation to the provisions to the Company. Where losses are caused to the Company, the Shareholders and the responsible Directors and senior management members shall be liable for compensation. The shares of the Company held by the Company itself shall not participate in profit distribution.

The reserve funds of the Company shall be applied to make up for the Company's losses, expand its scale of production and operations, or be converted into an increase in the Company's registered capital. When the reserve funds are used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be used first; where such funds are still insufficient, the capital reserve fund may be used pursuant to the regulations. When the statutory reserve fund is converted into registered capital, the balance of such reserve fund shall not be less than 25% of the Company's registered capital before such conversion.

After the Shareholders' meeting has passed a resolution on the profit distribution plan, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within two months after the convening of the Shareholders' meeting.

The profit distribution policy of the Company is as follows: the profit distribution of the Company shall pay adequate attention to the returns to investors, maintain the 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 regulatory rules of the place(s) where the Company's shares are listed, as well as the Articles of Association.

Internal Audit

The Company shall implement an internal audit system, and employ full-time audit personnel to conduct internal audit and supervision over the financial income and expenses and economic activities of the Company.

The internal audit system of the Company and the duties of the audit personnel shall be implemented upon approval by the Board of Directors. The person in charge of the audit shall be accountable and report to the Board of Directors.

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

Merger, Division, Capital Increase and Capital Reduction

A merger of the Company may take the form of a merger by absorption or a merger by the establishment of a new company. Where one company absorbs another, such merger shall be a merger by absorption, and the company being absorbed shall be dissolved. Where two or more companies merge to establish a new company, such merger shall be a merger by the establishment, and all parties to the merger shall be dissolved.

Where the Company merges with a company in which it holds more than 90% of the equity interests, the company being merged need not obtain a resolution of the Shareholders' meeting, provided that the other Shareholders shall be notified, and such other Shareholders shall have the right to request the Company to acquire their equity interests or shares at a reasonable price. Where the consideration payable for the merger is less than 10% of the net assets of the Company, a resolution of the Shareholders' meeting may be dispensed with, unless otherwise provided in the Articles of Association. Where, in accordance with the foregoing provisions, the merger is effected without a resolution of the Shareholders' meeting, the matter shall be considered and approved by a 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 a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution and shall, within 30 days, make an announcement in a newspaper recognized by the industry and commerce administration at the place where the Company is located or on the National Enterprise Credit Information Publicity System. Within 30 days from the date of receipt of the notice, or, in the case of creditors who have not received such notice, within 45 days from the date of the announcement, creditors may require the Company to settle its debts or provide corresponding security.

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

In the event of a division of the Company, its assets shall be split accordingly. In the event of a division, the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the division resolution and shall, within 30 days, make an announcement in a newspaper recognized by the industry and commerce administration at the place where the Company is located or on the National Enterprise Credit Information Publicity System. Debts incurred by the Company prior to the division shall be subject to joint and several liability of the companies existing after the division, unless otherwise agreed in writing between the Company and its creditors in respect of debt settlement 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 10 days from the date of the resolution for reduction of registered capital and shall, within 30 days, make an announcement in a newspaper recognized by the industry and commerce administration at the place where the Company is located or on the National Enterprise Credit Information Publicity System. Within 30 days from the date of receipt of the notice, or, in the case of creditors who have not received such notice, within 45 days from the date of the announcement, creditors shall be entitled to require the Company to settle its debts or provide corresponding security.

After the reduction of capital, the registered capital of the Company shall not be less than the statutory minimum amount.

Where the Company still has losses after making up losses in accordance with the provisions of the Articles of Association or the Company Law, it may make up such losses by reducing its registered capital. Where registered capital is reduced for the purpose of making up losses, the Company shall not make any distribution to Shareholders, nor shall it release Shareholders from their obligation to make capital contributions or pay up their share capital. Where the reduction of capital is made for the purpose of making up losses, an announcement shall be made in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the Shareholders' meeting adopts the resolution for reduction of registered capital.

Where the Company has completed a reduction of capital pursuant to the preceding paragraph, no profits shall be distributed until the aggregate amount of the statutory reserve and discretionary reserve reaches 50% of the registered capital of the Company. In the event of any unlawful distribution of profits, the Shareholders shall return the relevant profits to the Company. Where losses are caused to the Company, the Shareholders and the Directors and senior management members responsible shall be liable for compensation.

Where, as a result of a merger or division, any registered items are changed, the Company shall apply to the company registration authority for registration of such changes in accordance with laws. Where the Company is dissolved, it shall apply for deregistration of the Company in accordance with laws. Where a new company is established, registration of incorporation of the company shall be effected in accordance with laws. Where the Company increases or reduces its registered capital, it shall apply to the company registration authority for registration of such changes in accordance with laws.

Dissolution and Liquidation

The Company could be dissolved for the following reasons:

(1) upon expiry of the operation term stipulated in the Articles of Association or upon the occurrence of any other cause of dissolution stipulated in the Articles of Association;

(2) where the Shareholders' meeting resolve to dissolve the Company;

(3) where dissolution is required as a result of the merger or division of the Company;

(4) where the business license of the Company is revoked in accordance with laws, or the Company is ordered to close down or is deregistered; or

(5) where the Company encounters serious difficulties in its operation and management, and its continued existence would cause substantial losses to the interests of the Shareholders, and such difficulties cannot be resolved through any other means, Shareholders holding more than 10% of the voting rights of the Company may petition the People's Court to dissolve the Company.

Where any cause of dissolution as prescribed in the preceding paragraph arises, the Company shall, within 10 days, disclose such cause of dissolution through the National Enterprise Credit Information Publicity System.

Where the Company encounters serious difficulties in its operation and management, and its continued existence would cause substantial losses to the interests of the Shareholders, and such difficulties cannot be resolved through any other means, Shareholders holding more than 10% of all voting rights of the Shareholders of the Company may petition the People's Court to dissolve the Company.

Where the Company falls such circumstances as described under item (1) or item (2) of the first paragraph above and the Company has not yet distributed its assets to the Shareholders, the Company may continue to exist by amending the Articles of Association or by a resolution of the Shareholders' meeting.

Any amendment to the Articles of Association or any resolution of the Shareholders' meeting made pursuant to the preceding paragraph shall be passed by more than two-thirds of the voting rights held by the Shareholders present at the meeting.

Voluntary winding-up of the Company shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the Shareholders' meeting.

Where the Company is dissolved pursuant to item (1), item (2), item (4) or item (5) of the first paragraph above, a liquidation committee shall be established within 15 days from the date on which the cause of dissolution arises, and the liquidation shall commence. The liquidation committee shall comprise the Directors or such persons as determined by the Shareholders' meeting. Where the liquidation committee is not established within the prescribed period to carry out the liquidation, creditors may apply to the People's Court for the appointment of relevant persons to form a liquidation committee and commence the liquidation.

The liquidation committee shall notify the creditors within 10 days from the date of its establishment, and shall, within 60 days, make an announcement in a newspaper recognized by the industry and commerce administration at the place where the Company is located or on the National Enterprise Credit Information Publicity System. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice, or, in the case of creditors not yet received such notice, within 45 days from the date of the announcement.

In declaring their claims, creditors shall specify matters relating to their claims and provide supporting materials. The liquidation committee shall register such claims. During the period for declaration of claims, the liquidation committee shall not make any settlement to creditors.

After clearing the Company's assets and preparing the balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the Shareholders' meeting or the People's Court for confirmation. After payment of liquidation expenses, wages of employees, social insurance expenses and statutory compensation, outstanding taxes, and settlement of the Company's debts, the remaining assets of the Company shall be distributed in proportion to the shareholdings of the Shareholders. During the liquidation period, the Company shall continue to exist, but shall not carry on any business activities unrelated to the liquidation. Before the Company's assets are applied in settlement in accordance with the preceding paragraph, they shall not be distributed to the Shareholders.

Where, after clearing the Company's assets and preparing the balance sheet and an inventory of assets, the liquidation committee discovers that the Company's assets are insufficient to settle its debts in full, it shall apply to the People's Court for a declaration of bankruptcy in accordance with laws. After the Company is declared bankrupt by a ruling of the People's Court, the liquidation committee shall transfer the liquidation matters to the People's Court.

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

Where the Company is declared bankrupt in accordance with laws, bankruptcy liquidation shall be carried out in accordance with the relevant laws governing enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

(1) where, following any amendment to the Company Law, relevant laws, administrative regulations, or the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules, any provision of the Articles of Association becomes inconsistent with such amended laws, administrative regulations, or the regulatory rules of the place(s) where the Company's shares are listed such as the Hong Kong Listing Rules;

(2) where there is any change in the Company's circumstances which renders them inconsistent with the matters recorded in the Articles of Association;

(3) where the Shareholders' meeting resolve to amend the Articles of Association.

Where any amendment to the Articles of Association approved by a resolution of the Shareholders' meeting is subject to approval by the competent authorities, such amendment shall be submitted to the competent authorities for approval. Where such amendment involves any registered particulars of the Company, the relevant change in registration shall be effected in accordance with laws.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the Shareholders in general meeting approving the amendment to the Articles of Association and the approval opinions of the relevant competent authorities.