This appendix primarily provides an overview of the Articles of Association for potential [**REDACTED**]. As the following data is only a summary, it does not contain all the information that might be important to potential [**REDACTED**].

ISSUANCE OF SHARES

The issuance of the Company's shares follows the principles of openness, fairness and impartiality. Each share of the same class enjoys the same rights. For shares of the same class issued at the same time, the issuance conditions and prices for each share are the same. Subscribers shall pay the same amount for each share they subscribe for. The shares issued by the Company are denominated in RMB with equal value per share. The nominal value of each share is RMB1.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

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

(i) Conducting public offering upon approved, registered or filed by the relevant authorities;

(ii) Conducting non-public offering;

(iii) Distribution of bonus shares to existing shareholders;

(iv) Converting the reserve funds into share capital;

(v) Other methods approved by laws, administrative regulations and relevant regulatory authorities such as securities regulatory bodies and stock exchanges in the places where the Company's shares are listed.

The Company may decrease the registered capital. When the Company reduces its registered capital, it shall comply with the procedures stipulated in the Company Law and other relevant regulations, and the Articles of Association.

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

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

(ii) to merge with another company holding shares in the Company;

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

(iv) to acquire shares held by dissident shareholders who vote against resolution proposed in shareholders' meeting on the merger or division of the Company;

(v) to use shares for conversion of corporate bonds which are convertible into shares issued by the Company;

(vi) where it is necessary to safeguard the value of the Company and the interests of its shareholders;

(vii) other circumstances approved by laws, administrative regulations, departmental rules, the regulatory rules of the places where the Company's shares are listed.

The Company may acquire its shares through centralized public trading, or by other means recognized by laws, administrative regulations, as well as the securities regulatory rules and relevant regulatory authorities such as securities regulatory bodies and stock exchanges in the places where the Company's shares are listed. The Company may repurchase its H shares in accordance with the Hong Kong Listing Rules and other relevant laws and regulations and regulatory rules in the places where the Company's shares are listed.

Acquisition of shares of the Company by virtue of the circumstances specified in items (iii), (v) and (vi) above shall be conducted through centralized public trading subject to compliance with the requirements of the Hong Kong Listing Rules and the regulatory rules and guidelines of the Hong Kong Stock Exchange.

Acquisition of shares of the Company by virtue of the circumstances specified in items (i) and (ii) above shall be resolved by the shareholders' meeting; where the Company acquires its shares due to the circumstances specified in items (iii), (v) and (vi) above may, in accordance with the provisions of the Articles of Association or the authorization of the shareholders' meeting, pass a resolution at a Board meeting attended by more than two-thirds of the directors.

The Company shall cancel its shares within 10 days from the date of acquisition if it falls under the circumstances specified in item (i) above after acquisition in accordance with the Articles of Association. If such acquisition falls under the circumstances specified in items (ii) and (iv) above, it shall be transferred or canceled within six months. If such acquisition falls under the circumstances specified in items (iii), (v) and (vi) above, the total number of shares held by the Company shall not exceed 10% of that of issued shares of the Company, and shall be transferred or canceled within three years. If laws, regulations, normative documents and relevant provisions of the securities regulatory authorities and stock exchanges in the places where the company's shares are listed have other provisions on the relevant matters involved in the aforementioned share repurchase, such provisions shall prevail.

Upon acquisition of H Shares of the Company in accordance with the Articles of Association, the Company may immediately cancel the H Shares at the Company's option or hold them as treasury shares in accordance with the Hong Kong Listing Rules. If the Directors do not specify the underlying shares to be held as treasury shares, such shares shall be canceled. The Company shall deposit the Treasury Shares in a separate account with Hong Kong Securities Clearing Company Limited which can be clearly identified as Treasury Shares. The Company shall not exercise any rights in respect of the Treasury Shares, nor shall any dividends be declared or paid in respect of the Treasury Shares. Subject to compliance with the Articles of Association and the Hong Kong Listing Rules, the Company may dispose of Treasury Shares on such terms and conditions as the Directors may determine.

TRANSFER OF SHARES

Shares of the Company shall be transferable in accordance with the law.

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

Shares issued prior to the initial public offering of shares of the Company shall not be transferred within one year from the date on which the shares of the Company are listed and traded on the stock exchange.

The Directors and senior management members of the Company shall declare the Company of their holdings of shares of the Company and the changes therein. The shares transferred by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of the same class of shares of the Company. The shares of the Company held by them shall not be transferred within one year from the date on which the Company's shares are listed for trading. The shares of the Company held by them shall not be transferred within half a year from their departure from the Company.

Where the relevant regulations of the securities regulatory authority or stock exchange of the place where the Company's shares are listed have otherwise provisions on the restrictions on the transfer of overseas listed shares, such provisions shall prevail.

If the shares are pledged within the restricted transfer period stipulated by laws and administrative regulations, the pledgee shall not exercise the pledge within the restricted transfer period.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

Shareholders

The Company shall maintain a register of members based on the certificates provided by securities registries in accordance with the laws. The register of members shall be sufficient evidence of the shareholders' shareholding in the Company. Shareholders 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.

Shareholders of the Company shall enjoy the following rights:

(i) to receive dividends and any other form of profit distribution in proportion to the number of shares held;

(ii) to request to hold, convene, preside, attend or appoint proxy to attend shareholders' meetings in accordance with the laws, and to make speeches and exercise the corresponding voting rights;

(iii) to supervise the business operations of the Company and to put forward proposals or raise inquiries;

(iv) to transfer, gift or pledge the shares held in accordance with laws, administrative regulations and the Articles of Association;

(v) to inspect and duplicate the Articles of Association, register of members, minutes of the shareholders' meetings, resolutions of the Board meetings, and financial accounting reports. Shareholders who meet the requirements may inspect the Company's accounting books and accounting documents, but where the securities regulatory rules of the place where the Company's shares are listed have any other provisions, such provisions shall prevail. The Company shall maintain a complete duplicate of the register of members and minutes of the shareholders' meetings at the Company's Hong Kong address as required by the Hong Kong Listing Rules. The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of members of overseas-listed shares at all times. The Hong Kong branch register of members must be open to inspection by shareholders for free, but it may permit the closure of the register of members of the Company on terms equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Where a shareholder requests to inspect or obtain the information mentioned in the preceding article, the shareholder shall provide the Company with a written file proving the class of shares he/she holds and the number of shares of the Company held by him/her. After verifying the identity of the shareholder, the Company shall provide the requested information according to the requirements of the shareholder;

(vi) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the number of shares held by them;

(vii) to require the Company to purchase their shares in the event of objection to the resolutions of the shareholders' meeting on merger or division of the Company;

(viii) other rights conferred by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed or the Articles of Association. The Articles of Association, resolutions of shareholders' meeting or

resolutions of the Board meeting shall be in compliance with relevant laws and regulations, and shall not deprive or restrict any legal rights of shareholders. The Company shall safeguard the legitimate rights of shareholders and ensure they are treated fairly.

Where a shareholder requests to inspect or copy, or obtain the relevant information as set forth in the preceding paragraph, such shareholder shall provide the Company with a document in writing proving the class and number of the Company's shares held by him/her, and the Company shall provide such information at the request of such shareholder upon verification of the identity of the shareholder.

In particular, shareholders individually or collectively holding more than 3% of the Company's shares for more than 180 consecutive days may request to inspect the accounting books and accounting documents of the Company. In such case, a written request shall be made to the Company specifying its purposes. If the Company, on reasonable grounds, considers that the shareholders are inspecting the account books and accounting documents for improper purposes and may result in damage to the Company's legitimate interests, the Company may refuse the inspection and make written response to the shareholders stating its reasons within 15 days upon delivery of the written request by the shareholders. If the Company refuses the inspection, the shareholders may initiate proceedings in the People's Court.

Shareholders may appoint an intermediary agency, such as an accounting firm or a law firm, to inspect the materials provided for in the preceding paragraph. Shareholders and their authorized accounting firms, law firms and other intermediary agencies shall comply with the requirements of laws and administrative regulations on the protection of state secrets, trade secrets, personal privacy and personal information when inspecting and making copies of relevant information. The Company's shareholders and their authorized accounting firms, law firms and other intermediary agencies shall also comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations when inspecting and making copies of relevant information.

If a resolution passed at a shareholders' meeting or Board meeting of the Company violates the laws or administrative regulations, the shareholders shall have the right to plead to the People's Court to render the same invalid. If the convening procedures or voting methods of a shareholders' meeting or Boarding meeting violate laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders have the right to, within 60 days from the date of the resolution's adoption, petition the People's Court to revoke it. However, this excludes situations where there is only a minor defect in the convening procedures or voting methods of the shareholders' meeting and Board meeting, which does not have a substantial impact on the resolution.

Shareholders individually or jointly holding 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request the Audit Committee in writing to bring a legal action in the People's Court against any director or senior management personnel other than the members of the Audit Committee for the loss of the Company resulting from

their violation of any laws, administrative regulations or provisions of the Articles of Association in the course of performing their duties; the above-mentioned shareholders may request the Board of Directors in writing to bring a legal action against the members of the Audit Committee for the loss of the Company resulting from their violation of any laws, administrative regulations or provisions of the Articles of Association in the course of performing their duties.

The shareholders described in the preceding paragraph may bring legal action in the People's Court directly in their own names in the interest of the Company in the event that the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholders, or fails to initiate such legal proceedings within 30 days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the Company's interest.

Shareholders of the Company shall assume the following obligations:

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

(ii) to pay share capital according to the number of shares subscribed and the method of subscription;

(iii) not to withdraw their share capital unless required by the laws and regulations;

(iv) not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company;

(v) other obligations imposed by laws, administrative regulations, regulatory rules of the place where the company's shares are listed and the Articles of Association.

Shareholders of the Company who abuse their shareholder's rights and thereby cause loss on the Company or other shareholders shall be liable for indemnity according to the law. Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company. In the event that shareholders of the Company take advantage of two or more companies under their control to commit the aforementioned actions, each company shall be jointly and severally liable for the debts of any company.

Neither the controlling shareholder nor the actual controller of the Company may prejudice the interests of the Company by taking advantage of his/her related (connected) relationship. Anyone who violates this provision and causes any loss to the Company shall be liable for compensation. Where controlling shareholders and actual controllers pledge Company shares they hold or actually control, they shall maintain the stability of the control of the Company and its production and business operations. Where controlling shareholders and actual controllers transfer the Company's shares they hold, they shall comply with the restrictive provisions on share transfer in laws, administrative regulations, and regulations of the CSRC and the stock exchange of the place where the Company's shares are listed, and the commitments they have made regarding restrictions on share transfer.

General Provisions on the Shareholders' Meeting

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

(i) to elect and replace directors who are not employee representatives and to determine matters relating to the remuneration of the directors;

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

(iii) to review and approve the profit distribution plan and plan for making up losses of the Company;

(iv) to make resolutions on increasing or reducing the registered capital of the Company;

(v) to make resolutions on the issuance of corporate bonds;

(vi) to make resolutions on the merger, division, winding up, liquidation or change of nature of the Company;

(vii) to amend the Articles of Association;

(viii) to make resolutions on the appointment and dismissal of accounting firms that undertake audits of the Company;

(ix) to consider and approve the guarantee matters of the Articles of Association;

(x) to consider the material asset (except for the amount of ordinary operating transactions) purchase or sale of the Company within one year with an amount exceeding 30% of the audited total assets of the Company for the latest period;

(xi) to consider and approve proposals for changing the use of raised funds;

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

(xiii) to make resolutions on the acquisition of the shares of the Company by the Company under the circumstances stipulated in the Articles of Association;

(xiv) to consider and approve the purchase of liability insurance for directors and senior management personnel of the Company;

(xv) to consider other matters to be approved at the shareholders' meeting as prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules (including without limitations to Chapter 14 and Chapter 14A of the Hong Kong Listing Rules) or the Articles of Association.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds or other securities and the listing plan. The above-mentioned functions and powers of the shareholders' meeting shall not be exercised by the Board of Directors or other institutions and individuals in the form of authorization, except as permitted by laws, administrative regulations and regulatory rules of the place where the Company's shares are listed.

The following external guarantees of the Company shall be considered and approved by the shareholders' meeting:

(i) Any guarantee provided after the total amount of the external guarantees provided by the Company and its majority owned subsidiaries exceeding 50% of the audited net assets for the latest period;

(ii) Any guarantee provided after the total amount of the external guarantees provided by the Company exceeds 30% of the audited total assets for the latest period;

(iii) The guarantee provided by the Company to others within one year that exceeds 30% of the audited total assets for the latest period;

(iv) The guarantee provided to the guaranteed party with a debt-to-asset ratio of more than 70%;

(v) The guarantee whose amount of single guarantee exceeds 10% of the audited net assets for the latest period;

(vi) Any guarantee provided to the shareholder, actual controller and its affiliates;

(vii) Other external guarantees that shall be considered and approved by the shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, the Hong Kong Listing Rules or the Articles of Association.

External guarantee matters considered by the shareholders' meeting must be reviewed and approved by more than half of all directors and more than two-thirds of directors attending the board meeting before they can be submitted to the shareholders' meeting for consideration. The guarantees under item (iii) submitted to the shareholders' meeting for consideration shall be passed with two-thirds of the votes held by the shareholders attending the meeting.

When the proposal for providing guarantees to a shareholder, actual controller and their related (connected) persons is considered by the shareholders' meeting, the relevant shareholder or the shareholders controlled by the actual controller shall not participate in the voting, and this proposal shall be adopted by the majority votes of other shareholders present at the meeting.

Where the Company provides guarantees for wholly-owned subsidiaries or guarantees for holding subsidiaries and other shareholders of such holding subsidiaries provide guarantees in equal proportion according to their rights and interests, and falls under the circumstances specified in items (i), (iv) and (v) above, it may be exempted from submission to the shareholders' meeting for consideration.

The shareholders' meeting shall be divided into the annual shareholders' meetings and the extraordinary general meetings. The annual shareholders' meeting shall be convened once a year, and shall be held within six months after the prior fiscal year ends.

The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the event in any of the following circumstances:

(i) the number of directors is less than the number specified in the Company Law or two-thirds of the number required by the Articles of Association (i.e. six);

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

(iii) shareholders individually or collectively holding more than 10% of the Company's shares make a request;

(iv) the Board of Directors deems it necessary;

(v) the Audit Committee proposes to convene the meeting;

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

Convening of Shareholders' meetings

The Board of Directors shall duly convene the shareholders' meeting within the time limit specified.

With the consent of more than half of all the independent non-executive directors, independent non-executive directors have the right to propose to the Board of Directors to convene an extraordinary general meeting. For the proposal of independent non-executive director to convene an extraordinary general meeting, the Board of Directors shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide feedback in writing on whether to convene an extraordinary general meeting within 10 days upon receipt of such proposal. Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within 5 days after making the board resolution; if the Board of Directors disagrees to convene an extraordinary general meeting, it shall explain the reasons and make an announcement in accordance with the regulatory rules of the place where the Company's shares are listed.

If the securities regulatory authorities of the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

The Audit Committee may propose to the Board of Directors to convene an extraordinary general meeting, and such proposal should be presented to the Board of Directors in writing. The Board of Directors shall, pursuant to laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, give a written reply on whether to convene an extraordinary general meeting within 10 days after receipt of the written proposal.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within 5 days after the resolution is made. Any changes made to the original proposal in the notice shall be agreed by the Audit Committee.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within 10 days after receiving the proposal, it is deemed that the Board of Directors is unable to fulfill or does not fulfill its duty to convene the shareholders' meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than 10% of the Company's shares (excluding the voting rights attached to Treasury Shares) request to the Board of Directors to convene an extraordinary general meeting and include a proposal in the agenda of the meeting shall submit it to the Board of Directors in writing. The Board shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, provide written feedback on whether to convene an extraordinary general meeting within 10 days after receiving the request, and give a written reply to the shareholders.

Where the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within 5 days after making the board resolution. Any change to the original request in the notice shall be subject to the consent of the relevant shareholders. Where the laws, administrative regulations, departmental rules and securities regulatory rules of the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within 10 days after receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares (excluding the voting rights attached to Treasury Shares) proposing to the Audit Committee to convene an extraordinary general meeting shall submit their request in writing to the Audit Committee.

If the Audit Committee approves the convening of an extraordinary general meeting, it will issue a notice thereof within 5 days upon receipt of such proposal. Any change to the original proposal in the notice shall obtain the approval of the relevant shareholders. If the Audit Committee fails to issue the notice of the shareholders' meeting within the prescribed time limit, it shall be deemed that the Audit Committee will not convene and preside over the shareholders' meeting. Shareholders who individually or collectively hold more than 10% of the Company's shares (excluding the voting rights attached to Treasury Shares) for more than 90 consecutive days may convene and preside over the meeting themselves.

Proposals and Notices of Shareholders' meetings

If the Company convenes a shareholders' meeting, the Board of Directors, the Audit Committee and shareholders individually or collectively holding more than 1% of the Company's shares shall have the right to make proposals to the Company.

The shareholders individually or collectively holding more than 1% of the shares of the Company may raise a temporary proposal and submit it to the convener in writing 10 days before the shareholders' meeting is held. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days upon receipt of such proposal, publicly announce the content of the interim proposal and submit the interim proposal to the shareholders' meeting for consideration, except for the interim proposal which is in violation of the provisions of the laws, administrative regulations, or the Articles of Association or does not fall within the terms of reference of the shareholders' meeting. The Company shall not increase the percentage of shares held by a shareholder required to make a interim proposal.

Except as provided in the preceding paragraph, after the notice of the shareholders' meeting has been issued, the convener shall not amend the proposals already listed in the notice of the shareholders' meeting or add new proposals.

The shareholders' meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the shareholders' meeting or do not comply with the Articles of Association.

The convener will notify all shareholders of an annual shareholders' meeting by way of announcement 21 days prior to the convening thereof, and notify all shareholders of an extraordinary general meeting by way of announcement 15 days prior to the convening thereof.

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

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

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

(iii) contain a conspicuous statement that all shareholders shall be entitled to attend the shareholders' meeting and may appoint in writing one or more proxies to attend and vote at the meeting on his/her behalf and such proxy is not required to be a shareholder of the Company;

(iv) the record date for shareholders who are entitled to attend the shareholders' meeting;

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

(vi) the voting time and voting procedures of the meeting for the online voting or other means of voting (if involved);

(vii) relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and other contents stipulated in the Articles of Association.

Once the notice of a shareholders' meeting is issued, the shareholders' meeting shall not be postponed or canceled without any justifiable reasons, and the proposals specified in the notice of the shareholders' meeting shall not be canceled. In case of postponement or cancelation, the convener shall issue a notice and explain the reasons at least 2 working days before the original date of convening in accordance with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed. If the shareholders' meeting is to be adjourned, the date of reconvening shall also be stated in the notice.

After the notice of the shareholders' meeting is issued, the venue of the meeting shall not be changed without proper reasons. If it is really necessary to change it, the convener shall issue a notice and explain the reasons at least 2 working days before the meeting date in accordance with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

Holding of Shareholders' Meetings

All ordinary shareholders whose names appear on the register of members as at the date of shareholding registration, or their proxies, shall be entitled to attend the shareholders' meeting, and make speeches and exercise their voting rights in accordance with the relevant

laws, regulations, and the Articles of Association, unless individual shareholders are required to waive their voting rights on certain matters under the Hong Kong Listing Rules (an example of such a circumstance is where a shareholder has a material interest in the individual transaction or arrangement being voted upon).

Any shareholder entitled to attend and vote at the shareholders' meeting shall be entitled to attend the meeting in person, or appoint one or more other persons (who may not be shareholders) as his/her proxy(ies) to attend and vote on his/her behalf. If such proxy(ies) has/have been appointed to attend the meeting, the appointer shall be deemed to be present in person at the meeting.

A shareholders' meeting shall be presided over by the Chairman of the Board. If the Chairman of the Board is unable to perform or fails to perform his/her duties, a director jointly elected by more than half of all directors shall preside.

A shareholders' meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform his/her duties, a member of the Audit Committee jointly elected by more than half of its members shall preside.

A shareholders' meeting convened by shareholder(s) on their own shall be presided over by the convener(s) or their elected representative.

If, during a shareholders' meeting, the host of the meeting violates the rules of procedure, making it impossible for the meeting to continue, the shareholders' meeting may, with the consent of shareholders holding more than half of the voting rights and represent at the meeting, elect a person to act as the host of the meeting and continue the meeting.

The Company shall formulate the rules of procedure for the shareholders' meeting, which shall provide detailed provisions for the convening, holding and voting procedures of the shareholders' meeting, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, meeting minutes and signing, announcement as well as the principle of authorization of the Board of Directors by the shareholders' meeting. The authorization content should be clear and specific. The rules of procedure for the shareholders' meeting shall be made as an appendix to the Articles of Association, prepared by the Board of Directors and approved by the shareholders' meeting.

Voting at the Shareholders' Meeting

The resolutions of a shareholders' meeting are classified into ordinary resolutions and special resolutions. Ordinary resolutions of the shareholders' meeting shall be adopted by more than half of the voting rights held by the shareholders (including shareholders who attend the shareholders' meeting through a proxy) present at the shareholders' meeting. Special

resolutions of the shareholders' meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including shareholders who attend the shareholders' meeting through a proxy) present at the shareholders' meeting.

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

(i) work reports of the Board of Directors;

(ii) plans for profit distribution and recovery of losses prepared by the Board of Directors;

(iii) appointment and dismissal of the members of the Board of Directors, and their remuneration and payment methods;

(iv) resolutions on the appointment and dismissal of accounting firms that undertake audits of the Company;

(v) other matters other than those required by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or the Articles of Association to be adopted by special resolutions.

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

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

(ii) division, spin-off, merger, change of nature, termination, dissolution and liquidation (including voluntary liquidation) of the Company;

(iii) amendment of the Articles of Association;

(iv) purchase or disposal of substantial assets made or guarantee provided by the Company within one year with an amount exceeding 30% of the Company's audited total assets for the latest period;

(v) the equity incentive plans;

(vi) issuance of shares, convertible corporate bonds, preferred stock and other securities approved by the CSRC;

(vii) material assets reorganization;

(viii) resolution on the acquisition of the Company's shares under the circumstances prescribed by the Company;

(ix) other matters as required by laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Hong Kong Listing Rules, or the Articles of Association and approved by an ordinary resolution at a shareholders' meeting that are deemed to have a material impact on the Company and should be approved by a special resolution.

Shareholders (including shareholders who attend the shareholders' meeting through a proxy) exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote. On a poll taken at a meeting, a shareholder (including proxy(ies) thereof) entitled to two or above votes need not cast all his/her votes for, against or abstention in the same way.

When considering the material matters affecting the interests of minority investors at the shareholders' meeting, the votes by minority investors shall be counted separately, and the results of such separate vote counting shall be publicly disclosed in a timely manner in accordance with laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchanges in the place where the Company's shares are listed and the Articles of Association.

Shares of the Company held by the Company shall carry no voting rights, and be excluded from the total voting shares held by shareholders present at a shareholders' meeting, and will not be deposited into the Central Clearing and Settlement System.

Where matters relating to related/connected transactions (as defined under the Hong Kong Listing Rules) are considered at shareholders' meetings, the shareholders who are related/connected persons (as defined under the Hong Kong Listing Rules) shall not be involved in voting, and the voting shares they represent shall not be counted in the total number of valid votes. The votes of the non-related/non-connected shareholders shall be fully disclosed in the announcement on the resolutions of the shareholders' meetings.

If a shareholder is required not to exercise or abstain from voting on a resolution, or is restricted to vote only for or against a resolution in accordance with laws, administrative regulations, or the regulatory rules of the place where the Company's shares are listed, such shareholder or his/her proxy shall abstain from voting or casting a vote in accordance with such requirements and in case of any violation of the aforesaid requirements or restrictions, votes cast by such shareholder or his/her proxy shall not be included in the voting result.

In the event that the securities regulatory authority and/or the stock exchange of the place where the Company's shares are listed has established a mechanism for publicly soliciting voting rights from shareholders, the Company's Board of Directors, independent non-executive directors, shareholders holding 1% or more of the voting shares or the investor protection institution established in accordance with laws, administrative regulations, or the rules of the

securities regulatory authority of the place where the Company's shares are listed may publicly solicit voting rights from shareholders. To solicit voting rights from shareholders, the specific voting intentions and other relevant information should be fully disclosed to the person being solicited. When the qualified shareholders of the Company publicly solicit the rights convening a shareholders' meeting, rights to submit proposals, rights of nomination, voting rights and other shareholder rights lawfully held by other shareholders, the solicitation with the provision of direct or indirect compensation shall be prohibited. Except as otherwise provided by applicable laws and regulations and the provisions of the Hong Kong Listing Rules, the Company shall not propose a restriction of minimum shareholding ratio on the solicitation of voting rights.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be natural persons. None of the following persons shall serve as a director of the Company:

(i) a person who has no civil capacity or has limited civil capacity;

(ii) a person who has been sentenced for corruption, bribery, embezzlement of property, misappropriation of property or sabotaging the socialist market economic order, or who has been deprived of his/her political rights due to a crime, where less than 5 years have elapsed, or who has been placed under probation, and less than 2 years have elapsed since the date of the expiration of the probation;

(iii) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;

(iv) a person who is a former legal representative of a company or enterprise which had its business license revoked and had been ordered to close down due to a violation of the law and who incurred personal liability, where less than 3 years has elapsed since the date of the revocation of the business license and the order to close;

(v) a person who is listed as defaulters by the People's Court due to a relatively large amount of debts due and outstanding;

(vi) a person who has been banned from the securities market by the CSRC for a period that has not yet expired;

(vii) a person who has been publicly identified by the stock exchange as unfit for positions such as a director or senior management personnel of the company, and the time limit has not expired;

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

The election, engagement or appointment of the directors shall be invalid if such election or appointment is against the above provisions. If the directors fall into any of the circumstances mentioned in the above provisions during their term of office, the Company will dismiss them and suspend their performance of duties.

Directors shall be elected or replaced by the shareholders' meeting, and may be dismissed by the shareholders' meeting before the expiration of his/her term of office. The term of office of the directors is three years and they are eligible for re-election at the end of the term in accordance with the securities regulatory rules of the place where the Company's shares are listed. However, independent non-executive directors may not serve for more than nine consecutive years.

The term of office of a director shall commence from his/her accession till the expiry of the term of the current session of the Board of Directors. Where the election of directors fails to be timely conducted upon expiry of the term of office of the former directors or the resignation of a director during his/her term of office results in the number of members of the Board of Directors being less than the quorum or the Company's failure in complying with other provisions of the Hong Kong Listing Rules, the resigning directors shall, prior to the accession of the newly elected directors, perform their duties as directors in accordance with laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Any person appointed as director by the Board of Directors to fill a casual vacancy or as an addition to the Board of Directors shall only serve until the first annual shareholders' meeting of the Company after his/her appointment, and the said person is eligible for re-election at that time. Unless otherwise required by laws, regulations or the regulatory rules of the place where the Company's shares are listed, the shareholders have the right to remove any director (including the general manager concurrently serving as a director and other executive directors) before the expiration of his/her term of office by way of an ordinary resolution at the shareholders' meeting, without prejudice to claims for damages made by such director pursuant to any law or contract.

The senior management personnel may concurrently serve as directors, provided that the total number of directors who concurrently serve as senior management personnel and who are employee representatives shall not exceed half of the total number of directors of the Company.

Directors shall abide by the provisions of laws, administrative regulations and the Articles of Association, and carry out their duties of loyalty to the Company, take measures to avoid conflicts of interest between their own interests and those of the Company, and not use their powers to seek undue benefits.

Directors shall fulfill the following obligations of loyalty to the Company:

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

(ii) not to deposit funds of the Company in any accounts under their names or in the names of other individuals;

(iii) not to take advantage of their positions to accept bribes or other illegal income;

(iv) not to directly or indirectly enter into a contract or conduct a transaction with the Company without reporting to the Board of Directors or shareholders' meeting and being approved by a resolution passed by the Board of Directors or shareholders' meeting in accordance with the provisions of the Articles of Association;

(v) not to take advantage of their positions to seek business opportunities belonging to the Company for themselves or others, except where such business opportunity has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or where the Company is unable to utilize such business opportunity pursuant to laws, administrative regulations or the Articles of Association;

(vi) not to engage in the same type of business as the Company on their own account or for others without reporting to the Board of Directors or the shareholders' meeting and being approved by a resolution of the shareholders' meeting;

(vii) not to accept commissions arising from transactions between the Company and other parties and appropriate such commissions for their own use;

(viii) not to disclose any secret of the Company without authorization;

(ix) not to prejudice the interests of the Company by taking advantage of their related (connected) relationship;

(x) other obligations of loyalty as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Directors may resign before expiry of their terms of office. A director who resigns shall submit a written resignation report to the Company, and the resignation shall take effect on the date on which the Company receives the resignation report. The Board of Directors shall disclose relevant information within the time limit required by the regulatory rules of the place where the Company's shares are listed. Unless otherwise stipulated by applicable laws and regulations, shareholders shall have the power to remove any director (including executive directors) before the expiration of his/her term of office at the shareholders' meeting by way of an ordinary resolution, without prejudice to claims for damages made by the director in accordance with any contract. If the resignation of a director causes the number of Board members to fall below the quorum or the Company's failure in complying with other provisions of the Hong Kong Listing Rules, the resigning director shall continue to perform his or her duties as a director in accordance with laws, administrative regulations, departmental rules, the regulatory rules of the place where the Company's shares are listed and the Articles of Association until the newly elected director takes office. In case of any of the above situations, the Company shall complete the by-election as soon as possible in accordance with the Hong Kong Listing Rules.

No directors shall act, in their personal capacity, on behalf of the Company or the Board of Directors in contravention of provisions of the Articles of Association or without appropriate authorization by the Board of Directors. A director shall, when acting in his/her personal capacity, state his/her standings and identities in advance if a third party has reasons to believe that the said director is acting on behalf of the Company or the Board of Directors.

The Company has independent non-executive directors. The qualifications, nomination and election procedures, term of office, resignation, duties and power and other matters of independent non-executive directors shall be subject to relevant provisions of laws, administrative regulations, departmental rules and the regulatory rules of the place where the Company's shares are listed. Except as otherwise provided for in this section, the provisions on directors' qualifications and obligations in the Articles of Association shall apply to independent non-executive directors.

Board of Directors

The Company shall have a Board of Directors. The Board of Directors shall consist of 9 directors, including 3 independent non-executive directors (which shall not be less than one-third of members of the Board of Directors with at least one of the independent non-executive directors shall meet the requirements of the Hong Kong Listing Rules for them with appropriate professional qualifications or appropriate accounting or relevant financial management expertise. All independent non-executive directors must meet requirements of the Hong Kong Listing Rules for them with independence). The Company shall have one chairman. The chairman shall be elected or removed by more than half of all members of the Board of Directors.

The Board shall exercise the following duties and powers:

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

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

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

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

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

(vi) to draft plans for significant acquisitions of the Company, the acquisition of shares of the Company, or merger, division, dissolution or change of nature of the Company in circumstances specified in the Articles of Association;

(vii) to decide on matters relating to the Company's external investments, acquisition or disposal of assets, mortgage of assets, external guarantee matters, entrusted wealth management, related (connected) transactions and external donations within the scope of authorization given by shareholders' meetings or in accordance with the listing rules of the exchange of the place where the Company's shares are listed;

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

(ix) to determine the appointment or dismissal of the general manager of the Company, the Board secretary and other senior management personnel, and to determine matters relating to their remuneration and the grant or imposition of any awards or penalties; and based on the nomination of the general manager, to determine the appointment or dismissal of the senior management personnel including deputy general managers and chief financial officer of the Company and determine their remuneration, rewards and penalties;

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

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

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

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

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

(xv) to formulate an equity-based incentive plan, option plan and employee stock ownership plan of the Company;

(xvi) to decide on the acquisition of the shares of the Company in circumstances specified in the Articles of Association;

(xvii) to formulate and review the corporate governance policies and practices of the Company;

(xviii) to review and monitor the training and continuous professional development of directors and senior management personnel;

(xix) to review and monitor the policies and practices of the Company on compliance with laws and regulatory requirements;

(xx) to formulate, review and monitor the code of conduct and compliance manual (if any) for employees and directors;

(xxi) to review the Company's compliance with the Corporate Governance Code to the Hong Kong Listing Rules and the disclosures in the Corporate Governance Report;

(xxii) other duties and powers as stipulated in laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

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

The Board of Directors conducts its deliberations by convening board meetings. Board meetings are divided into regular meetings and extraordinary meetings. The Board of Directors shall convene at least four regular meetings per year at approximately quarterly intervals, convened by the Chairman, and all directors shall be notified in writing at least 14 days prior to the meeting. Shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, or the Audit Committee may propose to convene an extraordinary meeting of the Board of Directors. The Chairman shall convene and preside over the Board of Directors meeting within 10 days after receiving the proposal.

Unless otherwise provided by the Articles of Association, a meeting of the Board shall be held only when over half of the directors attend the meeting. Unless otherwise provided by the Articles of Association and its annexes, resolutions of the Board shall be passed by more than half of all directors. Where relevant laws and regulations, and the Articles of Association provide otherwise, such provisions shall prevail. A director shall have one vote when voting on the resolution of the Board.

Where a director or any of his/her close associates (as defined in the Hong Kong Listing Rules) has a material interest in or relation (connection) with the matter to be resolved by the board meeting, such director shall submit a timely report in writing to the Board of Directors and he/she shall not exercise the right to vote on the resolution when the Board of Directors deliberate on such matter, nor exercise voting rights on behalf of other directors, nor be counted in the quorum of the meeting. Directors having relation (connection) with the matter shall proactively recuse themselves and waive the right to vote before the Board votes on the related (connected) matters. If directors who have no relation (connection) with a matter consider that other directors have relation (connection) with the matter under consideration and should recuse themselves, they shall raise this objection before the Board votes on the matter. The Board shall determine whether the director subject to the recusal proposal shall recuse themselves in accordance with the procedures stipulated in the Articles of Association. The board meeting may be held when more than half of the attending directors have no relation (connection) with the matter. The resolution of the board meeting shall be passed by more than half of the non-related (connected) directors. The recusal of directors and the reasons for such recusal shall be recorded in the minutes of the board meeting. If the number of non-related (connected) directors attending the meetings of the Board of Directors is less than three, the matter shall be submitted to the shareholders' meeting for consideration. Where otherwise provided in the Hong Kong Listing Rules, such provisions shall prevail.

If a relevant shareholder or director has a conflict of interest in a matter to be considered by the Board, which the Board has determined to be material, the matter should be dealt with by convening a board meeting (rather than by the written resolution). Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at such board meeting. If laws, regulations and securities regulatory rules of the place where the Company's shares are listed impose additional requirements on Directors' attendance at board meetings and voting, such requirements shall prevail.

Senior Management Members

The Company shall have one general manager who shall be appointed or dismissed by the Board of Directors. The Company shall have one chief financial officer and any deputy general managers, and they shall be appointed or dismissed by the Board of Directors.

The provisions of the Articles of Association regarding circumstances in which a person shall not serve as a director and the administrative rules for the departure shall also apply to senior management personnel. The provisions under the Articles of Association in relation to the duties of loyalty and the diligent obligations of directors shall be applicable to the senior management personnel.

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

(i) to be in charge of the Company's operation and management, to organize the execution of the resolutions of the Board of Directors and to report his/her work to the Board of Directors;

(ii) to prepare and implement the Company's annual operation plan and investment plan;

(iii) to formulate the setup of the Company's internal management structure;

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

(v) to formulate rules and regulations for the Company;

(vi) to propose to the Board of Directors the appointment or dismissal of other senior management personnel such as the deputy general managers and the chief financial officer;

(vii) to determine the appointment or dismissal of management personnel except for those whose appointment or dismissal shall be determined by the Board of Directors;

(viii) to formulate the salaries, benefits, and incentive and penalty with the Company's employees, to determine the appointment and dismissal of the Company's employees;

(ix) to determining the disposal of the Company's corporate assets and the purchase of the Company's fixed assets in such amount within the limit authorized by the Board of Directors;

(x) to approve the Company's financial expenditures within the limit authorized by the Board of Directors;

(xi) to perform other duties and powers commissioned by the Articles of Association or the board of directors.

The general manager may present at the board meetings. The non-director general manager may present at the board meetings but shall have no voting right.

The senior management personnel of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all shareholders.

Where the senior management personnel of the Company causes damage to the interests of the Company and the public shareholders due to a failure to faithfully perform their duties or a violation of their fiduciary obligations, they shall be liable for compensation in accordance with the law.

Audit Committee

The Board of Directors of the Company shall establish an Audit Committee to perform the functions and powers of the Supervisory Committee as stipulated in the Company Law, including:

(i) to examine the Company's financial affairs;

(ii) to supervise directors and senior management personnel in performing their duties and to propose the removal of directors and senior management personnel who violate any laws, administrative regulations, the Articles of Association or resolutions of shareholders' meetings;

(iii) to demand rectification from a director and a member of senior management personnel who acts in a manner which is harmful to the Company's interest;

(iv) to propose the convening of an extraordinary shareholders' meeting and to convene and preside over the shareholders' meeting when the Board fails to perform such duties under the Company Law and the Articles of Association;

(v) to propose any resolution to the shareholders' meeting;

(vi) to take legal actions against directors and senior management personnel in accordance with the provisions of Rule 189 of the Company Law and the Articles of Association;

(vii) to perform other matters stipulated by laws, administrative regulations, CSRC regulations and the Articles of Association.

The Audit Committee shall hold at least one meeting every half-year. An extraordinary meeting may be convened if proposed by two or more members, or if the convener deems it necessary. A meeting of the Audit Committee shall be held only if two-thirds or more of its members are present.

Resolutions of the Audit Committee shall be adopted by a majority vote of the members of the Audit Committee.

The Audit Committee comprises three members who are directors not serving as senior management personnel of the company. All members are non-executive directors, including two independent non-executive directors. The chair is held by an independent non-executive director who is an accounting professional. At least one independent director on the Audit Committee possesses the appropriate professional qualifications as stipulated by the Hong Kong Listing Rules or possesses appropriate accounting or related financial management expertise.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting Systems

The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations and the requirements of the relevant governmental authorities. Where the securities regulatory authority of the place where the Company's shares are listed has separate provisions, such provisions shall prevail.

The Company shall prepare, publish, and distribute annual reports and interim reports in accordance with relevant laws and regulations and the Hong Kong Listing Rules. Such annual reports and interim reports shall be prepared in compliance with applicable laws, administrative regulations, and the requirements of the CSRC and the stock exchange of the place where the Company's shares are listed.

The company's financial reports shall be made available at the Company for inspection by shareholders at least 21 days prior to the annual shareholders' meeting.

The Company shall not keep accounting books other than those required by law. The capital of the Company shall not be kept in accounts opened under the name of any individual.

Profit Distribution

When distributing the Company's post-tax profits for the current year, 10% of the profits shall be allocated to the Company's statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% or more of the Company's registered capital, the Company may cease to make any further contribution.

If the Company's statutory reserve fund is insufficient to cover losses from prior years, the losses shall first be offset using the current year's profits before extracting the statutory reserve fund in accordance with the preceding paragraph.

After setting aside the statutory reserve fund from after tax profits, subject to a resolution of the shareholders' meeting, the Company may also appropriate fund to a discretionary reserve from profit after tax. The remaining profit after tax, after recovery of losses and appropriation of reserve fund, shall be distributed to shareholders in proportion to their shareholdings, except as otherwise stipulated in the Articles of Association for distributions not made in proportion to shareholdings.

If a shareholders' meeting violates the Company Law by distributing profits to the shareholders, the profits distributed in violation of the provisions shall be returned to the Company. If losses are caused to the Company as a result thereof, the shareholders and the responsible directors and senior management personnel shall be liable for compensation.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

After the shareholders' meeting resolves on the profit distribution plan, or after the Board of Directors formulates a specific plan based on the interim dividend conditions and upper limit approved by the annual shareholders' meeting for the following year, the Board shall distribute the dividends within three months from the date when the resolution of the shareholders' meeting is made.

The reserve fund of the Company shall be applied to make up losses, to expand the production and operation of the Company or to be converted into an increase in the registered capital of the Company. To make up for losses of the Company with the reserve fund, the discretionary reserve fund and statutory reserve fund shall be used first; if the losses still cannot be made up, the capital reserve fund may be used in accordance with relevant provisions. The remaining statutory reserve fund after being converted into an increase in registered capital shall not be less than 25% of the registered capital of the Company before such conversion.

The Company shall appoint receiving agents in Hong Kong on behalf of the shareholders holding overseas listed shares to receive and keep on behalf of the relevant shareholders the dividends distributed and all other monies payable in connection with the overseas listed shares, and to make the payment to such shareholders. The receiving agents appointed by the Company shall comply with the laws or relevant requirements of the stock exchange(s) of the place where the Company's shares are listed.

Internal Audit

The Company implements an internal audit system, which specifies the leadership system, duty and authorities, staffing, financial support, application of audit results and accountability for internal audit work.

The internal audit institutions of the Company shall conduct supervision and inspection on the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit institutions shall be responsible to the Board of Directors. The internal institutions shall subject to the supervision and guidance of the Audit Committee during the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information. Where the internal audit institutions identifies any material issues or clues, it shall report directly to the Audit Committee immediately.

Appointment of Accounting Firms

The Company shall engage an accounting firm in compliance with the laws and regulations of the place where the company's shares are listed and the provisions of the Security Law to conduct accounting statement audit, net assets verification and other related consulting services for a term of one year, which can be renewed.

The appointment and termination of the Company's accounting firm shall be submitted to the Board of Directors for consideration and decided by the shareholders' meeting after being approved by a majority of all members of the Audit Committee. The Board of Directors shall not appoint an accounting firm prior to the decision of the shareholders' meeting.

The Company guarantees to provide its accounting firm with authentic and complete accounting documents, accounting books, financial accounting reports and other accounting information without any rejection, concealment or falsehood.

The audit fee payable to an accounting firm shall be decided by the shareholders' meeting.

In the event that the Company decides to dismiss or not to reappoint an accounting firm, it shall notify the accounting firm 30 days in advance. The accounting firm shall be allowed to express their opinions when the resolution regarding the dismissal of such accounting firm is considered at the shareholders' meeting of the Company. Where the accounting firm resigns, it shall make clear to the shareholders' meeting whether there is any impropriety on the part of the Company.

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

Merger, Division, Capital Increase and Reduction

The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity. One company absorbing another company is merger by absorption, and the Company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is merger by establishment of a new entity, and the parties to the merger shall be dissolved.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and a property list. Within 10 days from the date of adoption of the merger resolution, the Company shall notify its creditors and within 30 days, it shall make an announcement on newspaper or the National Enterprise Credit Information Publicity System and website (including the HKEX news website (**www.hkexnews.hk**)). A creditor may, within 30 days from the date of receipt of such notice or, if he/she did not receive a written notice, within 45 days from the date of the announcement, require the Company to pay its debt in full or to provide commensurate security. Upon the merger, claims and debts of each of the merged parties shall be assumed by the Company which survives the merger or the newly established company resulting from the merger.

When the Company is divided, its assets shall be split accordingly. In the event of a division of the Company, the Company shall prepare a balance sheet and a property list. Within 10 days from the date of adoption of the resolution on the division, the Company shall notify its creditors and within 30 days, it shall make an announcement on newspaper or the National Enterprise Credit Information Publicity System and website (including the HKEX news website (**www.hkexnews.hk**)). Where there are other requirements imposed by the securities regulatory rules of the place where the company's shares are listed, such requirements shall prevail. The surviving companies shall be jointly and severally liable for the pre-division debts of the Company, unless provided otherwise in a written agreement on debt repayment reached between the Company and a creditor prior to the division. Where there are other requirements imposed by the securities regulatory rules of the place where the Company's shares are listed, such requirements shall prevail.

The Company shall prepare a balance sheet and a property list when it reduces its registered capital. The Company shall notify the creditors within 10 days upon resolution on reduction of registered capital by the shareholders' meeting and make announcement thereof on newspaper or the National Enterprise Credit Information Publicity System and website (including the HKEX news website (**www.hkexnews.hk**)) within 30 days. Creditors are entitled to require the Company to repay debts or provide corresponding security within 30 days upon receipt of such notice or 45 days from the date of announcement in case of receiving no such notice. Where there are other requirements imposed by the securities regulatory rules of the place where the company's shares are listed, such requirements shall prevail. When the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shares held by the shareholders, unless otherwise stipulated by the laws, securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

When the Company issues new shares in order to increase registered capital, shareholders do not have pre-emptive rights, unless otherwise stipulated in the Articles of Association or a resolution of the shareholders' meeting grants shareholders pre-emptive rights.

Dissolution and Liquidation

The Company shall be dissolved due to any of the following reasons:

(i) the term of operation stipulated in the Articles of Association expires, or any dissolution events as stipulated in the Articles of Association occur;

(ii) a resolution for dissolution is passed at the shareholders' meeting;

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

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

(v) shareholders holding 10% or more of all the voting rights of the Company applies to the People's Court for dissolution when the Company experiences severe difficulties in its operations and management and continual operation of the Company will bring significant losses to the interest of shareholders while there are no other ways to resolve the difficulties.

If the Company falls under the circumstances specified in item (i) and item (ii) of the preceding Article, and the property has not been distributed to shareholders, it may continue to exist by amending its Articles of Association or by resolution of the shareholders' meeting. Amendments to the Articles or resolutions of the shareholders' meeting in accordance with the provisions set out above shall be passed by more than two-thirds of the shareholders with voting rights who attend the shareholders' meeting.

The liquidation committee shall consist of the directors, unless otherwise stipulated in the Articles of Association or otherwise selected by a resolution of the shareholders' meeting. If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, such liquidation obligor shall be liable for compensation. The Company shall be liquidated in accordance with regulations. In case no such committee is established within the required time frame or such committee does not carry out liquidation after the establishment, the interested person may make an application to the People's Court for appointing relevant persons to form the liquidation committee for liquidation.

Where the Corporation is to be dissolved pursuant to item (iv) of the preceding Article, the department or the Company registration authority that made the decision to revoke the business license, order closure or revocation may apply to the People's Court for designating relevant persons to form a liquidation committee to carry out liquidation.

The liquidation committee shall notify creditors within a period of 10 days from the date of its establishment and publish announcements on newspaper or the National Enterprise Credit Information Publicity System and website (including the HKEX news website (**www.hkexnews.hk**)) on the liquidation within 60 days. Creditors shall, within 30 days after receipt of the notice, or for those who do not receive the notice, within 45 days from the date of the announcements, declare their claims to the liquidation committee. Where there are other requirements imposed by the securities regulatory rules of the place where the company's shares are listed, such requirements shall prevail.

Creditors shall provide explanations and evidence for their claims upon their declarations of such claims. Claims shall be registered by the liquidation committee.

The liquidation committee shall not pay off any debts to any creditors during the period of claim declaration.

After having cleared the assets of the Company and prepared a balance sheet and a property list, the liquidation committee shall formulate a liquidation plan and present it to the shareholders' meeting or to the People's Court for confirmation. The remaining assets of the Company after paying liquidation expenses, salaries, social insurance premiums and statutory compensation payable to employees, paying off the outstanding taxes, and settling the Company's debts shall be distributed by the Company to its shareholders according to the proportion of shares held.

During the liquidation, the Company remains subsisting but may not commence any business activities not related to the liquidation. The assets of the Company shall not be distributed to shareholders before repayments have been made pursuant to the preceding Article.

If after verifying the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee finds that the assets of the Company are insufficient to repay the debts of the Company in full, it shall immediately apply to the People's Court for a liquidation of insolvency. After the liquidation of insolvency is accepted by the People's Court, the liquidation of the Company shall be taken up by the bankruptcy administrator designated by the People's Court.

Upon completion of liquidation, the liquidation committee shall prepare a liquidation report, submit it to the shareholders' meeting or the People's Court for confirmation, and submit to the company registration authority for cancelation of the Company's registration.

In the event that the Company is legally declared insolvent, insolvent liquidation shall be carried out pursuant to the relevant regulations on enterprise insolvency.

Amendments to the Articles of Association

Amendments shall be made to the Articles of Association by the Company in any of the following circumstances:

(i) where after any change in the Company Law or the relevant laws and administrative regulations or Hong Kong Listing Rules, there is conflict between the provisions under the Articles of Association and those under the revised versions of the Company Law, the relevant laws and administrative regulations or Hong Kong Listing Rules;

(ii) where there is any change to the Company which is different from the statements as set out in the Company's Articles of Association;

(iii) upon resolution of the shareholders' meeting to make any amendment to the Articles of Association.

The amendments to the Articles of Association as adopted by a resolution of the shareholders' meeting which should be approved by competent authorities shall be submitted to the competent authorities for approval. Amendment to the Company's Articles of Association involving changes in the particulars of registration of the Company shall be made through a change in registration in accordance with laws.

The Board of Directors shall amend the Articles of Association in accordance with the resolution to amend the Company's Articles of Association passed at the shareholders' meeting and the review opinions from the relevant competent authorities.

Amendments to the Articles of Association are subject to compulsory disclosure under laws and regulations or the Hong Kong Listing Rules, and shall be announced in accordance with the requirements.