

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

This Appendix contains a summary of the principal provisions of the Company’s Articles of Association and comes into effect from the date on which the H shares are [REDACTED] on The Stock Exchange of Hong Kong Limited. The major objective of this Appendix is to provide potential [REDACTED] with an overview of the Company’s Articles of Association, and therefore it does not contain all data that may be important to potential [REDACTED].

SHARES

Issue of Shares

Shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights. Shares of the same class and the same issuance shall be issued on the same conditions and at the same price; any subscriber shall pay the same price for each of the shares it/he/she subscribes for.

Increase, Reduction and Repurchase of Shares

The Company may increase capital based on the needs of operation and development and in accordance with the requirements of relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed and relevant domestic and foreign securities regulatory authorities and resolution on the shareholders’ meeting, by any of the following ways:

- (i) issuance of shares to unspecified parties;
- (ii) issuance of shares to specified parties;
- (iii) distribution of bonus shares to existing shareholders;
- (iv) conversion of capital reserve into share capital;
- (v) other means as required by laws, administrative regulations and the CSRC and The Stock Exchange of Hong Kong Limited.

The Company may decrease its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated in relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The Company shall not buy back its shares, except in one of the following circumstances:

- (i) reduction of the Company’s registered capital;
- (ii) merger with another company holding shares of the Company;
- (iii) use of shares for employee stock ownership scheme or equity incentives;
- (iv) Shareholders who object to resolutions of the shareholders’ meeting on merger or division of the Company requesting the Company to purchase their shares;
- (v) use of shares for conversion of corporate bonds issued by the Company which are convertible into shares;
- (vi) where it is necessary for the Company to preserve its value and Shareholders’ interest;

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- (vii) Other circumstances permitted by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed and relevant domestic and foreign securities regulatory authorities.

The Company may repurchase its shares through public centralised trading or other methods recognised by laws, administrative regulations and the CSRC and The Stock Exchange of Hong Kong Limited.

Where the Company repurchases its shares under the circumstances set forth in items (iii), (v) and (vi) of the first paragraph mentioned above, the repurchase shall be made through public centralised trading subject to compliance with the securities regulatory rules of the place where the shares of the Company are listed and the approval from relevant domestic and foreign securities regulatory authorities.

Unless otherwise stipulated in the Hong Kong Listing Rules, where the Company repurchases its shares under the circumstances set forth in items (i) and (ii) of Paragraph 1 of Article 24 of the Articles of Association, it shall be resolved at a shareholders’ meeting; unless otherwise stipulated in the Hong Kong Listing Rules, where the Company purchases its shares under the circumstances set forth in items (iii), (v) and (vi) of Paragraph 1 of Article 24 of the Articles of Association, a resolution thereon may, pursuant to the provisions of the Articles of Association or the authorization of the shareholders’ meeting, be made at a Board meeting that is attended by more than two-thirds of the directors.

Upon the repurchase of its shares by the Company pursuant to the provisions of Paragraph 1 of Article 24 of the Articles of Association, under the circumstance set forth in item (i), such shares shall be cancelled within 10 days from the day of purchase; under the circumstances set forth in items (ii) and (iv), such shares shall be transferred or cancelled within six months; under the circumstances set forth in items (iii), (v) and (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Where the Company purchases its H shares pursuant to Article 24 of the Articles of Association, such shares may be cancelled at the Company’s option or held as treasury shares pursuant to the Hong Kong Listing Rules.

Transfer of Shares

Shares of the Company that were issued prior to a public issue shall not be transferred within one year from the date on which the A shares of the Company are listed and traded on Shanghai Stock Exchange. If there are other provisions of laws, administrative regulations or the CSRC, Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited regarding the transfer of the shares of the Company by shareholders or de facto controllers of the Company, such provisions shall prevail.

Directors, senior management and core technical personnel of the Company shall report to the Company their holdings of shares of the Company and the changes thereof. During the term of office of directors and senior management of the Company confirmed at the assumption of their position, the shares transferred by any of them each year shall not exceed 25% of the total shares of the same class of the Company 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; directors and senior management of the Company shall not transfer the shares of the Company held by them within half a year after they leave the Company. The shares of the Company held by the core technical personnel of the Company prior to the initial public offering shall not be transferred within one year from the date on which the shares of the Company are listed and traded and within half a year after they leave the Company; within four years from the expiration of the

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lock-up period of the shares held by them prior to the initial public offering, the shares transferred by them each year before the initial public offering shall not exceed 25% of the total shares of the Company held by them prior to the initial public offering at the time of listing, and their reduction ratio may be used on an accumulated basis.

If the Company's shares are pledged during the period of restriction of transfer stipulated by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, the pledgee shall not exercise his/her pledge rights during the period of restriction of transfer.

Where shareholders holding 5% or more of the shares of the Company, directors and senior management sell the shares of the Company or other securities with an equity nature as held by them within six months after purchasing the same, or purchase the shares of the Company or other securities with an equity nature as held by them within six months after selling the same, the earnings arising therefrom shall belong to the Company, and the Board of the Company shall recover such earnings received by them. However, securities companies holding 5% or more of the shares of the Company as a result of their purchase of the remaining unsold shares underwritten by them and other circumstances stipulated by the CSRC, Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited shall be excluded.

The shares or other securities with an equity nature held by directors, senior management and natural person shareholders referred to in the preceding paragraph shall include the shares or other securities with an equity nature held by their spouses, parents, children, and those held through the accounts of others.

Where the Board of the Company does not comply with the provisions of the first paragraph of this article, shareholders shall have the right to require the Board to comply with them within 30 days. Where the Board of the Company does not comply with such provisions within the aforesaid period, shareholders shall have the right to directly file a lawsuit with the people's court in their own name for the benefit of the Company. Where the Board of the Company does not comply with the provisions of the first paragraph of this article, directors who are responsible for shall bear joint and several liability in accordance with the law.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall establish a register of members based on the evidence provided by the securities registration authority. The register of members shall be sufficient evidence of the holding of the shares of the Company by shareholders. A shareholder shall enjoy rights and assume obligations according to the class of the shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations. The Company shall manage the register of members in accordance with the provisions of relevant laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the shares of the Company are listed and the requirements of relevant domestic and foreign securities regulatory authorities. The Company shall maintain a duplicate copy of the register of members of overseas listed shares at the Company's address; the entrusted overseas agency shall ensure the consistency between the original and the duplicate copy of the register of members of overseas listed shares at any time. The branch register of members in Hong Kong shall be available for inspection by shareholders; however, the Company may be allowed to close the register of shareholders in accordance with the provisions equivalent to the Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Subject to compliance with the Company's Articles of Association and other applicable regulations, upon transfer of the Company's shares, the name of the transferee of such shares shall be entered as the holder of such shares in the register of members.

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Shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other distributions in proportion to the shares they hold;
- (ii) to request, convene, preside over, attend or appoint a proxy to attend shareholders' meetings and exercise the corresponding right to vote in accordance with laws;
- (iii) to supervise, present suggestions on or make inquiries about the operations of the Company;
- (iv) to transfer, gift or pledge the shares they hold in accordance with relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association;
- (v) to inspect and copy the Articles of Association, register of members, minutes of shareholders' meetings, resolutions of Board meetings and financial and accounting reports, and shareholders in compliance with the requirements may inspect the accounting books and accounting evidence of the Company;
- (vi) in the event of termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion with 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 stipulated by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the content of a resolution of the shareholders' meeting or a meeting of the Board violates laws or administrative regulations, shareholders shall have the right to request the people's court to determine it to be invalid. If the convening procedure or voting method of the shareholders' meeting or a meeting of the Board violates laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders shall have the right to request the people's court to revoke the resolution within sixty days from the date of passing the resolution, except where the convening procedure or voting method of the shareholders' meeting or the meeting of the Board are only slightly defective and have no substantial impact on the resolution.

Where the Company incurs losses as a result of directors and senior management other than members of the audit and risk management committee having violated the provisions of laws, administrative regulations or the Articles of Association in performing their duties for the Company, shareholders severally or jointly holding 1% or more of the Company's shares for 180 consecutive days or more shall be entitled to request in writing the audit and risk management committee to file a lawsuit with the people's court; where the Company incurs losses as a result of any member of the audit and risk management committee having violated the provisions of laws, administrative regulations or the Articles of Association in performing his/her duties for the Company, the aforementioned shareholders may request in writing the Board to file a lawsuit with the people's court.

In the event that the audit and risk management committee or the Board refuses to file a lawsuit after receiving the written request of shareholders stated in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receipt of the request, or in case of urgency where

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failure to file a lawsuit immediately would cause irreparable damage to the Company's interests, shareholders as specified in the preceding paragraph shall have the right to file a lawsuit with the people's court directly in their own name for the benefit of the Company.

Where another person infringes upon the legitimate rights and interests of the Company and causes losses to the Company, shareholders as specified in the first paragraph of this Article may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

Where the Company incurs losses as a result of any directors, supervisors and senior management of a wholly-owned subsidiary of the Company having violated laws, administrative regulations or the Articles of Association in performing their duties, or if another person infringes upon the legitimate rights and interests of the wholly-owned subsidiary of the Company and causes losses, shareholders severally or jointly holding 1% or more of the Company's shares for 180 consecutive days or more may request in writing the board of supervisors or board of directors of the wholly-owned subsidiary to file a lawsuit with the people's court or directly file a lawsuit with the people's court in their own name in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law.

Shareholders of the Company shall assume the following obligations:

- (i) to comply with laws, administrative regulations and the Articles of Association;
- (ii) to pay subscription monies according to the number of shares subscribed for by them and the method of subscription;
- (iii) not to withdraw their share capital unless under circumstances required by laws and regulations;
- (iv) not to abuse their shareholders' rights to impair the interests of the Company or other shareholders; and not to abuse the Company's position as an independent legal person and the limited liability of shareholders to impair the interests of the creditors of the Company;
- (v) to assume other obligations prescribed by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and thereby cause losses to the Company or other shareholders shall be liable for compensation according to the laws. 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 and severally liable for the debts owed by the Company.

General Provisions for Shareholders' Meeting

The shareholders' meeting of the Company consists 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:

- (i) to elect and replace directors and to determine matters relating to the remuneration of directors;
- (ii) to consider and approve the reports of the Board;

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- (iii) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (iv) to resolve on the increase or reduction of the registered capital of the Company;
- (v) to resolve on the issue of corporate bonds;
- (vi) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (vii) to amend the Articles of Association;
- (viii) to resolve on the appointment and dismissal of accounting firms undertaking the audit business of the Company;
- (ix) to consider and approve transaction matters specified in Article 48 of the Articles of Association;
- (x) to consider and approve external guarantee matters specified in Article 49 of the Articles of Association;
- (xi) to consider and approve financial aids specified in Article 50 of the Articles of Association;
- (xii) to consider the purchase or sale of significant assets by the Company within one year that exceed 30% of the Company's latest audited total assets;
- (xiii) to consider and approve changes in the use of funds raised;
- (xiv) to consider share incentive schemes and employee stock ownership schemes;
- (xv) to consider other matters to be resolved by the shareholders' meeting as required by laws, administrative regulations, departmental rules or the Articles of Association.

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

- (i) any guarantee to be provided after the total amount of external guarantees by the Company and its holding subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (ii) any guarantee to be provided after the total amount of external guarantees by the Company and its holding subsidiaries exceeds 30% of the latest audited total assets;
- (iii) In accordance with the principle of cumulative calculation of guaranteed amount for 12 consecutive months, any guarantee with guaranteed amount in excess of 30% of the latest audited total assets of the Company;
- (iv) any guarantee to be provided to a recipient of the security whose debt-to-asset ratio is over 70%;
- (v) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;
- (vi) any guarantee provided to shareholders, de facto controllers and their related (connected) parties;

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

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

- (i) where the number of directors is less than the statutory minimum number as provided for by the Company Law or two thirds of the number as provided for by the Articles of Association;
- (ii) when the uncovered loss of the Company reaches one-third of its total share capital;
- (iii) upon request by shareholders individually or collectively holding 10% or more of the voting shares (including preferred shares with voting rights restored, but excluding treasury shares) of the Company;
- (iv) when the Board deems it necessary;
- (v) when the audit and risk management committee proposes such a meeting to be held;
- (vi) other circumstances required by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Convening of Shareholders' Meetings

The Board shall convene shareholders' meetings on time within the prescribed period. Upon the approval of a majority of all independent directors, independent directors shall have the right to propose to the Board of Directors to convene an extraordinary shareholders' meeting. For the proposal requesting to convene an extraordinary shareholders' meeting by independent directors, the Board shall, in accordance with laws, administrative regulations and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the proposal. If the Board agrees to convene an extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after such a Board resolution is made. If the Board does not agree to convene an extraordinary shareholders' meeting, it shall state reasons and make a public announcement.

If the audit and risk management committee proposes the Board to convene an extraordinary shareholders' meeting, the proposal shall be presented in writing. The Board shall, according to laws, administrative regulations and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the proposal. If the Board agrees to convene an extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after such a Board resolution is made, and amendments to the original proposal to be stated in the notice shall be agreed by the audit and risk management committee. If the Board does not agree to convene the extraordinary shareholders' meeting or does not reply within ten days after receipt of the proposal, the Board shall be deemed to be unable or have refused to fulfill the obligation to convene shareholders' meetings, and the audit and risk management committee may convene and preside over the meeting by itself.

If shareholders who individually or collectively hold 10% or more of the shares of the Company (including preferred shares with voting rights restored, but excluding treasury shares) request the Board to convene an extraordinary shareholders' meeting, the request shall be made to the Board in writing. The Board shall, according to laws, administrative regulations and the Articles of Association, provide written reply on whether they agree or disagree to convene the extraordinary shareholders' meeting within ten days after receipt of the request. If the Board agrees to convene

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an extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after a Board resolution is made, and amendments to the original request to be stated in the notice shall be agreed by relevant shareholders. If the Board does not agree to convene the extraordinary shareholders' meeting or does not reply within ten days after receipt of the request, shareholders who individually or collectively hold 10% or more of the shares of the Company (including preferred shares with voting rights restored, but excluding treasury shares) shall have the right to request the audit and risk management committee to convene the extraordinary shareholders' meeting, and the request shall be made to the audit and risk management committee in writing. The content of the proposal shall be fully consistent with that of the proposal made to the Board. If the audit and risk management committee agrees to convene an extraordinary shareholders' meeting, a notice of shareholders' meeting shall be issued within five days after receipt of the request, and amendments to the original proposal to be stated in the notice shall be agreed by relevant shareholders. If the audit and risk management committee does not issue a notice of shareholders' meeting within the prescribed time limit, the audit and risk management committee shall be deemed to have refused to convene and preside over the shareholders' meeting. Shareholders who individually or collectively hold 10% or more of the shares of the Company (including preferred shares with voting rights restored, but excluding treasury shares) for more than 90 consecutive days may convene and preside over the meeting on their own.

Notices of Shareholders' Meetings

The convener of an annual shareholders' meeting shall notify all shareholders by way of an announcement twenty days before the meeting, and the convener of an extraordinary shareholders' meeting shall notify all shareholders by way of an announcement fifteen days before the meeting.

A notice of shareholders' meeting shall include the following:

- (i) the time, venue and duration of the meeting;
- (ii) matters and proposals submitted to the meeting for consideration;
- (iii) a prominent written statement that all shareholders are entitled to attend a shareholders' meeting and may appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a shareholder of the Company.
- (iv) the date of equity registration of shareholders entitled to attend the shareholders' meeting; The interval between the date of equity registration and the meeting date shall not exceed 7 working days, and once the date of equity registration is confirmed, it shall not be changed;
- (v) the name and telephone number of the regular contact person for the meeting;
- (vi) the time and procedures for voting online or by other means; The starting time for voting online or by other means at the shareholders' meeting shall not be earlier than 3:00 pm on the day before the on-site shareholders' meeting, and shall not be later than 9:30 am on the day of the on-site shareholders' meeting. Its ending time shall not be earlier than 3:00 pm on the day of the end of the on-site shareholders' meeting.

After issuing a notice of the shareholders' meeting, the shareholders' meeting shall not be postponed or cancelled without justifiable reasons, and the proposals listed in the notice of the shareholders' meeting shall not be cancelled. Once there is a postponement or cancellation, the convener shall make a public announcement and state reasons at least two working days before the originally scheduled meeting date. If there are special provisions in the securities regulatory rules of the place where the Company's shares are listed regarding the procedures for postponing or canceling shareholders' meetings, such provisions shall prevail.

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Convening of Shareholders' Meetings

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

Where the shareholders' meeting requires directors or senior management to attend the meeting as non-voting attendees, such directors or senior management shall be present and accept inquiries from shareholders. The Company shall provide convenience for directors and senior management to participate in shareholders' meetings through virtual conference technologies such as video, telephone and Internet.

A shareholders' meeting shall be presided over by the Board chairman. In the event that the Board chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by a majority of the directors. A shareholders' meeting convened by the audit and risk management committee on its own shall be presided over by the convener of the audit and risk management committee. If the convener of the audit and risk management committee is unable or fails to perform his/her duties, the meeting shall be presided over by a member of the audit and risk management committee jointly elected by a majority of the members of the audit and risk management committee. A shareholders' meeting convened by shareholders on their own shall be presided over by the convener or a representative elected by him/her. When holding a shareholders' meeting, if the person presiding over the meeting violates the rules of procedures and makes it impossible for the shareholders' meeting to continue, with the consent of a majority of the shareholders with voting rights present at the meeting, the shareholders' meeting may be continued by electing one person to serve as the person presiding over the meeting.

The Company shall formulate the rules of procedures for shareholders' meetings, stipulating in detail the procedures for convening and holding a shareholders' meeting and voting thereat, which shall include, among others, the notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formulation of resolutions of the meeting, minutes of the meeting and signing thereof and announcements, as well as the principles of authorization from the shareholders' meeting to the Board. The content of authorization shall be clear and specific.

Voting and Resolutions of Shareholders' Meetings

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

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

- (i) the work reports of the Board;
- (ii) the profit distribution plans and loss recovery plans formulated by the Board;
- (iii) the appointment and dismissal of Board members and their remunerations and payment methods;
- (iv) other matters other than those required to be approved by special resolutions by laws, administrative regulations or the Articles of Association.

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

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

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- (ii) the division, split, merger, dissolution and liquidation of the Company;
- (iii) the amendments to the Articles of Association;
- (iv) the purchase and sale of material assets or the provision of guarantees to others by the Company with a cumulative amount calculated for 12 consecutive months exceeding 30% of the latest audited total assets of the Company;
- (v) the share incentive schemes;
- (vi) other matters stipulated by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association that are determined by the shareholders' meeting by ordinary resolutions to have a significant impact on the Company and are required to be approved by special resolutions.

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

When the shareholders' meeting considers material matters affecting the interests of minority [REDACTED], separate counting of votes cast by minority [REDACTED] shall be conducted. The results of the separate vote counting shall be publicly disclosed in a timely manner.

The shares of the Company held by the Company shall not carry voting rights, and shall not be counted in the total number of voting shares represented by shareholders attending a shareholders' meeting.

Shareholders who purchase the voting shares of the Company in violation of the provisions of Paragraphs 1 and 2 of Article 63 of the Securities Law shall not exercise the voting right of the shares that exceed the prescribed ratio within thirty-six months after the purchase, and the number of such shares shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.

Where any shareholder is, under the Hong Kong Listing Rules, required to abstain from voting on a resolution or restricted to voting only for or only against a resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

The Board, independent directors, shareholders holding 1% or more of the voting shares of the Company or investor protection agencies established pursuant to laws, administrative regulations or the provisions of the CSRC may publicly solicit shareholder voting rights. When soliciting shareholder voting rights, information such as the specific voting intention shall be fully disclosed to the persons being solicited. It is prohibited to solicit shareholder voting rights in paid or distorted paid way. Save for statutory conditions, the Company shall not propose the lowest limit of shareholding ratio for voting right solicitation.

When a related (connected) transaction is considered at a shareholders' meeting, related (connected) shareholders shall not participate in voting, and the number of voting shares that they represent shall not be counted in the total number of valid voting shares; the voting situation of unrelated (unconnected) shareholders shall be fully disclosed in the announcement of the resolutions of the shareholders' meeting.

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DIRECTORS AND BOARD OF DIRECTORS

General Provisions for Directors

Directors of the Company shall be natural persons. A person who falls into any of the following circumstances shall not serve as a director of the Company:

- (i) the person has no capacity for civil conducts or has limited capacity for civil conducts;
- (ii) the person has committed an offence of corruption, bribery, encroachment of property, misappropriation of property or disrupting the order of socialist market economy and has been punished therefor, or has been deprived of his/her political rights, in each case where less than five years have elapsed since the date of the completion of execution of such punishment or deprivation, or has been sentenced to probation, and less than two years have elapsed since the expiration of the probation period;
- (iii) the person who is a former director, factory director or manager of a company or enterprise which is insolvent and under liquidation is personally liable for the insolvency of such company or enterprise, and less than three years have elapsed since the date of the completion of such insolvency and liquidation of such company or enterprise;
- (iv) the person who is a former legal representative of a company or enterprise which had its business licence revoked or was ordered to close down due to any violation of the law is personally responsible, and less than three years have elapsed since the date when such company or enterprise had its business licence revoked or was ordered to close down;
- (v) the person has been identified as a subject of enforcement for breach of trust by the people's court for failure to repay a relatively large amount of matured debts;
- (vi) the person has been subject to a ban from accessing to the securities market imposed by the CSRC, and the term of prohibition has not expired;
- (vii) the person has been publicly determined to be unsuitable to serve as a director or senior management member of listed companies by a stock exchange for a period which has not yet expired;
- (viii) other circumstances required by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If a director is elected or appointed in violation of the provisions of this Article, such election, appointment or engagement shall be deemed to be invalid. If any of the circumstances as set out in this Article occurs to a director during his/her term of office, the Company shall remove the director from office and stop him/her from performing his/her duties.

Directors shall be elected or replaced by the shareholders' meeting, and may be removed from their office prior to the expiration of their term of office by the shareholders' meeting. Directors shall have a term of three years, and may be re-elected and re-appointed another term upon the expiration of their term of office. If there are other provisions in the securities regulatory rules of the place where the Company's shares are listed regarding the re-election or re-appointment of directors, such provisions shall prevail.

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A director's term of office shall commence from the date when he/she takes office and end upon expiration of the term of the current session of the Board of Directors. If no re-election is held in time upon the expiration of a director's term of office, the former director shall continue to perform the duties of a director in accordance with relevant laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association before a newly elected director assumes office.

Senior management may serve as directors concurrently, provided that the aggregate number of directors concurrently serving as senior management shall not exceed half of the total number of directors of the Company.

Directors shall comply with laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association and owe fiduciary duties to the Company, and shall take measures to avoid conflicts between their personal interests and those of the Company, and shall not use their powers and duties to seek illegitimate benefits.

Directors shall comply with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, owe a duty of diligence to the Company and perform their duties with a reasonable degree of care that a manager should have normally for the best interests of the Company, and shall ensure that they have sufficient time and energy to perform their duties.

A director may resign before the expiration of his/her term of office. The resigning director shall submit to the Company a written resignation report. Such director's resignation shall take effect on the date when the Company receives the resignation report. The Company shall disclose relevant situations within two trading days or the period required by securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the director's resignation causes the number of Board members of the Company to fall below the minimum quorum, or if the resignation of an independent non-executive director results in the number or proportion of independent non-executive directors of the Board or its special committees not complying with laws and regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or when there are no individuals among the independent non-executive directors who meet regulatory requirements and have appropriate professional qualifications or appropriate accounting or relevant financial management expertise, the former director shall still perform the duties of a director in accordance with relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association before a newly elected director assumes office.

The Company shall establish a resignation management system for directors, clarifying safeguard measures for accountability and recovery concerning unfulfilled public commitments and other outstanding matters. A director whose resignation has become effective or whose term of office has expired shall complete all handover procedures with the Board, and his/her fiduciary duties to the Company and shareholders shall not be necessarily released, and shall remain valid for two years after the expiration of his/her original term of office. The responsibilities that such director should bear during his/her term of office due to the performance of his/her duties shall not be exempted or terminated upon his/her departure.

Without the provisions of the Articles of Association or the legal authorization of the Board, no directors shall act on behalf of the Company or the Board in their personal capacity. When a director acts in his/her personal capacity, if a third party reasonably believes that such director is acting on behalf of the Company or the Board, such director shall declare his/her position and identity in advance.

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Board of Directors

The Company shall have a Board, which is composed of seven directors, including independent directors representing no less than one-third of the Board members and at least one accounting professional. There shall be no employee representative of the Company among the Board members.

The Board shall exercise the following functions and powers:

- (i) to convene shareholders’ meetings, and submit work reports to the shareholders’ meeting;
- (ii) to implement the resolutions of shareholders’ meetings;
- (iii) to resolve on the Company’s business plans and investment plans;
- (iv) to formulate the Company’s profit distribution plans and loss recovery plans;
- (v) to formulate the Company’s plans for increase or reduction of registered capital, issuance of bonds or other securities and listing plans;
- (vi) to formulate the Company’s plans for significant acquisition, acquisition of the Company’s shares or merger, division, dissolution and change in corporate form;
- (vii) to decide, within the scope of the authorization delegated by the shareholders’ meeting, on the Company’s external investments, acquisition and disposal of assets, mortgage of assets, external guarantees, entrusted financial management, related (connected) transactions and external donations, etc.;
- (viii) to decide on the establishment of the Company’s internal management organizations;
- (ix) to decide on the appointment or dismissal of general managers, deputy general managers, secretaries to the Board and financial controllers of the Company, and to decide on their remunerations, incentives and penalties;
- (x) to formulate the basic management system of the Company;
- (xi) to formulate the proposals for amendments to the Articles of Association;
- (xii) to manage the information disclosures of the Company;
- (xiii) to propose to the shareholders’ meeting on engagement or change of accounting firms which provide audit services to the Company;
- (xiv) to listen to work reports of the general manager of the Company and inspect his/her work;
- (xv) to consider and approve transaction matters stipulated in Article 118 of the Articles of Association;
- (xvi) Review the Company’s compliance with the Corporate Governance Code (Appendix C1 to the Hong Kong Listing Rules) and its disclosure in the corporate governance report;
- (xvii) other functions and powers granted by the shareholders’ meeting or relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

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The Board shall have one chairman, who shall be elected by a majority vote of all directors. If the chairman is unable or fails to perform his/her duties, a director elected jointly by more than half of the directors shall perform his/her duties.

The Board shall hold at least four meetings each year, which shall be convened by the Board chairman and notified to all directors in writing (including the form of data message) 14 days prior to the meeting.

Shareholders representing more than one-tenth of the voting rights, the Board chairman, more than one-third of the directors, more than half of the independent directors or the audit and risk management committee may propose to convene an ad hoc meeting of the Board. The Board chairman shall convene and preside over the Board meeting within ten days after receipt of the proposal.

An ad hoc Board meeting convened by the Board shall be notified to all directors in writing (including the form of data message) 3 days prior to the meeting, and sufficient information shall be provided. In case of urgent matters, with the consent of more than half of the directors, the convening of an ad hoc Board meeting may not be subject to the aforesaid time limit and method of notification, provided that it shall be confirmed in writing at the time when the ad hoc Board meeting is convened.

A Board meeting shall be held only when more than half of the directors are present. Resolutions of the Board shall be passed by a majority vote of all directors. External guarantees and financial aids within the scope of authority of the Board shall be approved by more than two-thirds of the directors present at the Board meeting in addition to being approved by more than half of all directors. If there are other provisions in the Articles of Association and relevant laws, administrative regulations, departmental rules, normative documents or securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail. Each director shall have one vote on Board resolutions.

Where there is a related (connected) relationship between a director and an enterprise or individual involved in the resolution of the Board meeting, or when the Board evaluates or discusses the remuneration of an individual director, or when the Board considers matters related to the share incentive scheme and employee stock ownership scheme for a director, such director shall not exercise his/her voting rights on the resolution, nor shall he/she exercise voting rights on behalf of other directors. The Board meeting may be held if more than half of the directors with no related (connected) relationship are present, and resolutions made at the Board meeting shall be passed by more than half of the directors with no related (connected) relationship. External guarantees shall be approved by more than two-thirds of the directors with no related (connected) relationship present at the meeting in addition to being approved by more than half of all directors of the Company. If the number of directors with no related (connected) relationship present at the Board meeting is less than 3, the matter shall be submitted to the shareholders' meeting for review. If there are any additional restrictions on Directors' participation in and voting at Board meetings in relevant laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of place where the Company's shares are listed, the relevant provisions shall also be complied with.

A Board meeting shall be attended by the directors themselves; if a director is unable to attend the meeting for any reason, he/she may appoint another director in writing to attend the meeting on his/her behalf. The power of attorney shall specify the proxy's name, matters appointed, scope of authority and validity period, and shall be signed or sealed by the appointing director. The director who attends the meeting on behalf of the appointing director shall exercise the rights of a director within the scope of authority.

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Independent Directors

Independent directors shall conscientiously fulfill their duties, fully understand the Company’s business operations and the issues for discussion of the Board, play a role in participating in decision-making, supervision and balancing, and professional consultation on the Board, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders in accordance with the provisions of laws, administrative regulations, the CSRC, stock exchanges, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association. Independent directors shall submit their annual work reports to the annual shareholders’ meeting of the Company to explain their performance of duties.

The Company shall establish a mechanism for specialized meetings attended entirely by independent directors. Where the Board considers related (connected) transactions or other matters, they shall be approved in advance by a specialized meeting of independent directors.

Special Committees of the Board

The Company does not have a supervisory board, and the Board shall establish an audit and risk management committee to exercise the functions and powers of the supervisory board as stipulated in the Company Law. The audit and risk management committee consists of three members, who shall be directors who are not senior management of the Company, including more than half of the independent directors, and the convener shall be an accounting professional among the independent directors.

The strategy and sustainable development committee consists of three directors, who shall be responsible for managing the Company’s development strategy, conducting research on and providing suggestions for the Company’s long-term development strategy and major investment decisions, and supervising and evaluating the implementation of the Company’s sustainable development strategy and ESG work.

The nomination committee consists of three directors, among whom independent directors constitute the majority and serve as conveners, and shall be responsible for formulating selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management and their competence for a post, and providing suggestions to the Board on the following matters:

- (i) the nomination or appointment and dismissal of directors;
- (ii) the appointment or dismissal of senior management;
- (iii) other matters stipulated by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

The remuneration and appraisal committee consists of three directors, among whom independent directors constitute the majority and serve as conveners, and are responsible for formulating assessment criteria for directors and senior management and conducting assessments, developing and reviewing compensation policies and plans for directors and senior management, and providing suggestions to the Board on the following matters:

- (i) the remunerations of directors and senior management;
- (ii) the formulation or modification of share incentive schemes, employee stock ownership schemes, and granting of interests to incentive targets and achievement of conditions for exercising rights;

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- (iii) the proposed split of arrangements for employee stock ownership schemes of subsidiaries by directors and senior management;
- (iv) other matters stipulated by relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Senior Management Members

The Company shall have one general manager, who shall be appointed or dismissed by the Board based on the nomination of the Board chairman. The Company shall have several deputy general managers, who shall be appointed or dismissed by the Board.

The provisions of the Articles of Association regarding circumstances where a person shall not serve as a director shall also apply to senior management members. Where a senior management member is prohibited from serving as a director under the Articles of Association during his/her term of office, he/she shall immediately stop performing his/her duties and resign; if the senior management member does not submit resignation, the Board shall immediately dismiss him/her from his/her post in accordance with regulations upon becoming aware or should have become aware of the occurrence of the fact.

The general manager shall serve for a term of three years, and may be re-appointed if he/she is re-elected.

The general manager shall be responsible to the Board, attend Board meetings and exercise the following functions and powers:

- (i) to take charge of the production operations and management tasks of the Company and organize the implementation of the Board's resolutions, and to report work to the Board;
- (ii) to organize the implementation of the Company's annual business plans and investment plans;
- (iii) to develop plans for the establishment of the Company's internal management organizations;
- (iv) to develop the basic management system of the Company;
- (v) to formulate the specific rules and regulations of the Company;
- (vi) to propose the Board to appoint or dismiss deputy general managers and financial controllers of the Company;
- (vii) to decide on the appointment or dismissal of management officers other than those requiring the Board to decide on the appointment or dismissal;
- (viii) other functions and powers granted by the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the Board.

The Company shall have a secretary to the Board, who shall be appointed or dismissed by the Board based on the nomination of the Board chairman and be responsible to the Company and the Board. The Board secretary shall be responsible for the preparation of the Company's shareholders' meetings and the Board meetings, keeping of documents, the management of the information of the Company's shareholders, and the handling of information disclosures and other matters. The Board shall be responsible for formulating the working system for the Board secretary, specifying the functions and powers, obligations, responsibilities and relevant work process of the Board secretary.

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If a senior management member causes damage to others while performing his/her duties for the Company, the Company shall bear liability for compensation; if the senior management member acts with intention or gross negligence, he/she shall also bear liability for compensation. If a senior management member violates laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association and causes losses to the Company while performing his/her duties for the Company, he/she shall be liable for compensation.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall formulate its financial accounting system in accordance with relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed and regulations of relevant national departments.

The Company shall submit and disclose its annual report to the agency of the CSRC and the stock exchange of the place where the Company’s shares are listed within four months from the end of each fiscal year, and shall submit and disclose its interim report to the agency of the CSRC and the stock exchange of the place where the Company’s shares are listed within two months from the end of the first half of each fiscal year.

The Company shall not set up separate accounting books other than its statutory accounting books. No funds of the Company shall be deposited into any account opened in the name of any individual.

Profit Distribution

When distributing the current year’s after-tax profits, the Company shall set aside 10% of its profits for the Company’s statutory common reserve fund. Where the cumulative amount of the statutory common reserve fund of the Company has reached not less than 50% of the Company’s registered capital, it may no longer be allocated.

When the Company’s statutory common reserve fund is not sufficient to make up for the Company’s losses for the previous years, the current year’s profits shall first be used to make up for the losses before any allocation is set aside for the statutory common reserve fund in accordance with the provisions of the preceding paragraph. After the Company has made allocations to the statutory common reserve fund from its after-tax profits, it may, upon passing a resolution at a shareholders’ meeting, make further allocations from its after-tax profits to the discretionary common reserve fund.

After the Company has made up for its losses and made allocations to its common reserve fund, the remaining after-tax profits shall be distributed to shareholders based on their shareholding ratio unless the Articles of Association stipulate that such distribution shall not be made based on their shareholding ratio.

Where the shareholders’ meeting distributes profits to shareholders in violation of the provisions of the Company Law, Securities Law and other laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association, shareholders shall refund to the Company the profits distributed in violation of the provisions; if any losses are caused to the Company, shareholders and responsible directors and senior management shall be liable for compensation.

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

The common reserve fund of the Company shall be used to make up for the losses of the Company, expand the Company’s production operations or convert into the registered capital of the Company. When the common reserve fund is used to make up for the losses of the Company, the discretionary common reserve fund and statutory common reserve fund shall first be used; if there is still a shortfall, the capital reserve may be used in accordance with the regulations. When the statutory common reserve fund is converted into the registered capital, the retained portion of such common reserve fund shall not be less than 25% of the registered capital of the Company before the conversion.

The Company may distribute profits by way of cash, stocks or a combination of cash and stocks. Subject to ensuring the daily working capital needs of the enterprise, the Company shall prioritize the use of cash dividends for profit distribution. The cumulative amount of cash dividends of the Company for the last three years shall not be less than 30% of the annual average audited net profit of the Company for the last three years.

An annual or interim profit distribution plan of the Company shall be formulated by the Board. A profit distribution plan of the Company shall be submitted to the shareholders’ meeting for approval after being considered and approved by the Board. If the Company distributes profits by way of stocks or a combination of cash and stocks, such distribution shall be considered and approved by the shareholders’ meeting of the Company by a special resolution.

Internal Audit

The Company shall implement an internal audit system, clarifying the leadership system, responsibilities and authority, staffing, funding guarantee, application of audit results and accountability for internal audit work. The internal audit system of the Company shall be implemented after being approved by the Board and disclosed to the public.

Appointment of Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law and securities regulatory rules of the place where the Company’s shares are listed to perform services such as the audit of financial statements, verification of net assets and other relevant consulting services. The engagement term is one year and may be renewed.

The appointment or dismissal of the accounting firm by the Company shall be decided by the shareholders’ meeting. The Board shall not appoint an accounting firm before the shareholders’ meeting makes a decision.

The Company shall guarantee that any accounting vouchers, accounting books, financial accounting reports and other accounting information provided to the accounting firm engaged are true and complete, and that it shall not refuse to provide or conceal any such information or provide any false information.

Any audit fees of the accounting firm shall be decided by the shareholders’ meeting.

The Company shall notify the accounting firm 30 days in advance when dismissing or ceasing to renew the appointment of the accounting firm. The accounting firm shall be allowed to state its opinions when the shareholders’ meeting of the Company votes on dismissing the accounting firm. Where the accounting firm proposes to resign, it shall explain to the shareholders’ meeting whether there are any irregularities in the Company.

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NOTICES AND ANNOUNCEMENTS

Notices

A notice of the shareholders’ meeting of the Company shall be given by announcement. Notices of Board meetings convened by the Company shall be delivered by email, data message, personal delivery or other means.

Announcements

The Board shall have the right to decide on any adjustment of the identified company information disclosure media, provided that it shall ensure that the designated information disclosure media complies with domestic and Hong Kong’s applicable laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company’s shares are listed and qualifications and conditions stipulated by domestic and foreign securities regulatory authorities.

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

Merger, Division, Capital Increase and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company.

If the price paid by the Company for a merger does not exceed ten percent of the net assets of the Company, such merger may not require a resolution of the shareholders’ meeting unless otherwise stipulated in the Articles of Association. In case of a merger of the Company in accordance with the provisions of the preceding paragraph without a resolution of the shareholders’ meeting, such merger shall be subject to a resolution of the Board.

Where the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the merger resolution, and shall publish an announcement in newspapers designated by laws, administrative regulations or departmental rules or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor may, within 30 days from the date of receipt of the notice or, if he/she does not receive the notice, within 45 days from the date of the announcement, require the Company to pay off its debt or to provide corresponding guarantees.

When the Company is merged, the claims and debts of each party to the merger shall be inherited by the surviving company or the newly established company after the merger.

Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the division resolution, and shall publish an announcement in newspapers designated by laws, administrative regulations or departmental rules or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

The debts of the Company prior to the division shall be assumed jointly by the companies which exist after the division, unless otherwise stipulated in a written agreement between the Company and its creditors in relation to the repayment of debts prior to the division.

Where the Company needs to reduce its registered capital, a balance sheet and an inventory of assets shall be prepared.

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The Company shall notify its creditors within 10 days from the date of the resolution on the reduction of its registered capital, and shall publish an announcement in newspapers designated by laws, administrative regulations or departmental rules or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor shall have the right, within 30 days from the receipt of the notice or, if he/she does not receive the notice, within 45 days from the date of the announcement, to require the Company to pay off its debts or provide corresponding guarantees.

When the Company reduces its registered capital, it shall correspondingly reduce its capital contributions or shares based on the proportion of shares held by shareholders unless otherwise stipulated by laws or the Articles of Association.

Where a merger or division of the Company results in any changes in the registered items, such changes shall be registered with the company registration authority in accordance with the law; where the Company is dissolved, cancellation of the Company's registration shall be applied for in accordance with the law; where a new company is established, the registration of such company's establishment shall be applied for in accordance with the law. Where the Company increases or reduces its registered capital, it shall apply for the registration of change with the company registration authority in accordance with the law.

DISSOLUTION AND LIQUIDATION

The Company shall be dissolved due to the following reasons:

- (i) the shareholders' meeting resolves to dissolve the Company;
- (ii) dissolution is necessary due to merger or division of the Company;
- (iii) the Company has had its business license revoked or has been ordered to close down or canceled in accordance with the law;
- (iv) where the Company encounters serious difficulties in its operations or management that will lead to significant losses to the benefits of shareholders if the Company continues its existence and the situation cannot be resolved by other means, the Company is dissolved by a people's court in response to the request of shareholders who hold 10% or more of the voting rights of the Company.
- (v) other reasons for dissolution as stipulated in the Articles of Association have occurred.

If the reasons for dissolution of the Company as stipulated in the preceding paragraph occur, they shall be announced through the National Enterprise Credit Information Publicity System and the website of The Stock Exchange of Hong Kong Limited within 10 days.

If the Company falls under the circumstances set out in items (i) and (v) of Article 200 of the Articles of Association and has not yet distributed its assets to shareholders, it may survive by a resolution of the shareholders' meeting or by amending the Articles of Association. Where the Company survives by a resolution of the shareholders' meeting or by amending the Articles of Association in accordance with the provisions of the preceding paragraph, the survival 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 under the circumstances set out in items (i), (iii), (iv) and (v) of Article 200 of the Articles of Association, the Company shall be liquidated. Directors shall be the liquidation obligors of the Company, and shall establish a liquidation group to commence liquidation within 15 days upon the occurrence of the reasons for dissolution. The liquidation group shall be composed of directors except as otherwise provided in the Articles of Association or by a

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resolution of the shareholders' meeting on the election of other persons. If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall bear liability for compensation.

The liquidation group shall notify creditors within 10 days from the date of its establishment, and shall publish an announcement in newspapers designated by laws, administrative regulations or departmental rules or on the National Enterprise Credit Information Publicity System within 60 days from the date of such resolution. Creditors shall, within 30 days from the receipt of the notice or, if they do not receive the notice, within 45 days from the date of the announcement, declare their claims to the liquidation group.

When declaring the claims, creditors shall state matters concerning their claims and provide supporting documents. The liquidation group shall register such claims.

During the declaration of claims, the liquidation group shall not make any repayments to creditors.

After the liquidation group has liquidated the assets of the Company and has prepared a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation. The remaining assets of the Company after paying liquidation expenses, wages of employees, social insurance premiums, statutory compensation and outstanding taxes and settling the Company's debts shall be distributed by the Company in proportion to the shares held by shareholders. During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The assets of the Company shall not be distributed to shareholders until all liabilities are paid off in accordance with the provisions of the preceding paragraph.

After liquidating the Company's assets and preparing a balance sheet and an inventory of assets, if the liquidation group finds that the Company's assets are insufficient to settle the Company's debts, it shall apply to the people's court for bankruptcy and liquidation in accordance with the law. After the people's court accepts the bankruptcy application, the liquidation group shall hand over the liquidation affairs to the bankruptcy administrator designated by the people's court.

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

If the Company is declared bankrupt in accordance with the law, it shall carry out a bankruptcy and liquidation in accordance with the laws concerning enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

- (i) after amendments have been made to relevant laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the Company's shares are listed, the provisions of the Articles of Association conflict with the provisions of the amended laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the Company's shares are listed;
- (ii) there is a change in the situation of the Company, which is inconsistent with the matters recorded in the Articles of Association;
- (iii) the shareholders' meeting decides to amend the Articles of Association.

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Any amendments to the Articles of Association approved by the resolution of the shareholders’ meeting shall be submitted to the competent authorities for approval if they are subject to approval by the competent authorities; if such amendments involve the registered items of the Company, an application shall be made for the registration of change in accordance with the law.

The Board shall amend the Articles of Association in accordance with the resolution of the shareholders’ meeting on the amendment of the Articles of Association and the approval opinions of the relevant competent authorities.