

APPENDIX III

SUMMARY OF THE ARTICLES OF ASSOCIATION

The Articles of Association adopted by the shareholders at the general meeting held on January 15, 2026 will take effect from the date on which the H Shares of the Company are [REDACTED]. The main purpose of this Appendix is to provide [REDACTED] with an overview of the Articles of Association. Accordingly, this Appendix may not contain all the information that is material or relevant for [REDACTED].

1. DIRECTORS AND BOARD OF DIRECTORS

(1) Power to Allot and Issue Shares

The Articles of Association provide that shareholders may authorize the Board of Directors at a general meeting by way of a general mandate to allot or issue shares not exceeding 20% of all issued and outstanding H Shares. The Board of Directors shall prepare proposals for the allotment or issue of shares, which shall be submitted to the general meeting in the form of a special resolution for approval by the shareholders.

Any such allotment or issue shall comply with the procedures prescribed by applicable laws, administrative regulations and the securities regulatory rules of the place where the shares of the Company are [REDACTED].

(2) Power to Dispose Assets of the Company or Any Subsidiary

The disposal of substantial assets representing more than 30% of the total assets shown in the latest audited financial statements shall be subject to the approval of the shareholders by way of a special resolution at a general meeting. The Board of Directors may decide on the disposal of the Company's assets pursuant to authorization by the shareholders at a general meeting.

(3) Remuneration or Compensation Payable to Directors for Loss of Office

The Articles of Association contain no provisions regarding the payment of remuneration or compensation to directors for loss of office.

(4) Loans to Directors

The Articles of Association contain no provisions regarding the provision of loans to directors.

(5) Financial Assistance for the Acquisition of the Company's Shares

The Company or its subsidiaries (including the Company's Affiliated Companies) shall not provide any financial assistance in the form of gifts, advances or loans to any third party for the acquisition of shares of the Company or its parent company (except for employee share ownership plans).

The Company may provide financial assistance to any third party for the acquisition of shares of the Company or its parent company on the condition that such financial assistance is provided for the benefit of the Company and has been formally approved by resolution of the shareholders at a general meeting or by resolution of the Board of Directors made pursuant to authorization under the Articles of Association or granted by the shareholders. The aggregate amount of any such financial assistance shall in no circumstances exceed 10% of the total issued share capital of the Company. Any resolution of the Board of Directors approving such financial assistance shall be passed by a super-majority of not less than two-thirds of all directors then in office.

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(6) Disclosure of Interest in Contracts with the Company and/or its Affiliated Companies

A director shall not enter into any contract or engage in any transaction with the Company, whether directly or indirectly, without prior disclosure to the Board of Directors or at a general meeting and approval in accordance with the Articles of Association.

(7) Remuneration

The remuneration of directors shall be approved by the shareholders by way of an ordinary resolution at a general meeting.

(8) Appointment, Resignation and Removal

The Board of Directors shall consist of six directors, including three executive directors and three independent non-executive directors.

Directors shall be elected or replaced by the general meeting. The general meeting may, by ordinary resolution and subject to compliance with relevant laws and regulations, remove any director before the expiration of his/her term of office, without prejudice to any claim for damages which may be brought under any contract.

The Board of Directors shall have a chairman. The chairman shall be elected and removed by a vote of more than half of the directors.

The term of office of a director shall commence from the date on which he/she assumes office and expire on the date of expiry of the term of the current session of the Board of Directors, being a period of three years. Directors may stand for re-election for consecutive terms upon expiry of their terms of office in accordance with the relevant regulatory rules of the place where the shares of the Company are [REDACTED].

If directors are not re-elected in a timely manner upon expiry of their terms of office, or if the resignation of directors during their terms of office results in the number of directors falling below the minimum number prescribed by law, the original directors shall continue to discharge their duties as directors in accordance with laws, administrative regulations, departmental rules and the Articles of Association until the re-elected directors assume office.

If a director resigns, he/she shall notify the Company in writing and the resignation shall take effect from the date on which the Company receives the notice; provided that, where the circumstances described in the preceding paragraph exist, the director shall continue to discharge his/her duties.

The following persons shall not serve as directors of the Company:

- i. persons without capacity or with limited capacity of civil conduct;
- ii. persons who have been sentenced to criminal punishment for crimes such as corruption, bribery, misappropriation of public funds, theft or disruption of the socialist economic order, or have been deprived of political rights for such crimes, where less than five years have elapsed since the expiration of the enforcement period (or less than two years have elapsed since the expiry of the probation period in the case of a suspended sentence);
- iii. persons who served as a director, factory manager or general manager of a company or enterprise that went into bankruptcy liquidation due to mismanagement and bear personal responsibility for the bankruptcy of such company or enterprise, where less than three years have elapsed since the completion of the bankruptcy liquidation of such company or enterprise;

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- iv. persons who served as the legal representative of a company or enterprise whose business license was revoked or which was ordered to close down due to violation of law and bear personal responsibility for such violation, where less than three years have elapsed since the revocation of the business license of such company or enterprise;
- v. persons who have been listed by the people’s court as dishonest persons subject to enforcement due to failure to settle a relatively large amount of debt upon maturity;
- vi. persons who have been prohibited from entering the securities market by the relevant securities regulatory authority and such prohibition period has not yet expired; or
- vii. persons who have been publicly determined by a stock exchange to be unsuitable to serve as directors or senior management of a listed company and such period has not yet expired; or
- viii. any other persons who are disqualified under other conditions set out in laws, administrative regulations, rules of competent authorities, regulatory documents and securities regulatory rules of the place where the shares of the Company are listed.

If an election, appointment or engagement of a director is made in contravention of the foregoing provisions, such election, appointment or engagement shall be invalid. If a director falls into any of the circumstances set forth in the foregoing provisions during his/her term of office, the Company shall terminate his/her duties.

(9) Borrowing Powers

The Articles of Association contain no specific provisions regarding the borrowing powers of directors.

The Board of Directors shall be entitled to develop proposals for the Company to issue bonds and to [REDACTED] its shares, and such bond issues must be approved by the shareholders by a special resolution at the general meeting.

2. AMENDMENT OF THE ARTICLES OF ASSOCIATION

The Company may amend the Articles of Association in accordance with the provisions of laws, administrative regulations and the Articles of Association.

If any amendments to the Articles of Association adopted by the general meeting require approval by the competent authorities, such amendments shall be submitted for approval. Where amendments to the Articles of Association involve registration matters, the prescribed change registration procedures shall be completed in accordance with the law.

3. VARIATION OF RIGHTS ATTACHING TO EXISTING SHARES OR CLASSES OF SHARES

The Articles of Association contain no provisions regarding the variation of rights attaching to existing shares or classes of shares.

4. SPECIAL RESOLUTIONS REQUIRING AN ABSOLUTE MAJORITY

Resolutions of the general meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution may be adopted by a simple majority of votes held by shareholders (including their proxies) present at the general meeting.

A special resolution may be adopted by a two-thirds majority of votes held by shareholders (including their proxies) present at the general meeting.

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5. VOTING RIGHTS

When shareholders (including proxies) vote at a general meeting, voting rights shall be exercised according to the number of shares carrying voting rights that they represent, with each share carrying one vote.

Shares held by the Company itself shall carry no voting rights and shall not be counted towards the total number of shares carrying voting rights at a general meeting.

Any shareholder who is required under the securities regulatory rules of the place where the shares of the Company are [REDACTED] to abstain from voting or to vote only for or against a particular matter shall abstain from voting or vote for or against as required; any votes cast by such shareholder or his/her representative in violation of such provisions or restrictions shall not be counted towards the voting results.

6. RULES FOR ANNUAL GENERAL MEETINGS

General meetings are divided into annual general meetings and extraordinary general meetings. An annual general meeting shall be held once every year and within six months after the end of the previous financial year.

7. ACCOUNTS AND AUDIT

(1) Financial and Accounting Policies

The Company shall formulate its financial and accounting policies in accordance with laws, administrative regulations and rules formulated by competent authorities.

The Company shall publish financial reports twice in each accounting year. The interim financial report shall be published within three months after the end of the first six months of each financial year, and the annual financial report shall be published within four months after the end of each accounting year.

(2) Appointment and Removal of Auditors

The Company shall engage a reputable accounting firm that meets the applicable requirements of relevant laws, regulations and regulatory provisions to audit its annual financial reports, conduct audits of accounting statements, verification of net assets and other related advisory services, for a service term of one year, which may be renewed upon expiry.

The appointment and removal of an accounting firm providing regular audit services to the Company shall be decided by the shareholders by way of an ordinary resolution at a general meeting.

Before removing or not renewing the engagement of an accounting firm, notice of such removal or non-renewal shall be sent to the relevant accounting firm 30 days in advance, and when voting on the dismissal of the relevant accounting firm at a general meeting, such accounting firm shall have the right to state its views at the general meeting.

If an accounting firm resigns, it shall clearly explain to the general meeting whether there is any misconduct on the part of the Company.

If a vacancy arises in the position of the appointed accounting firm, the Board of Directors may appoint an accounting firm before the general meeting. However, if during such vacancy period, the Company has another incumbent accounting firm, such accounting firm may fill the vacancy.

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8. NOTICES OF AND AGENDA FOR GENERAL MEETINGS

The Board of Directors shall convene an extraordinary general meeting within two months under any of the following circumstances:

- i. the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the Articles of Association;
- ii. the Company’s unrecovered losses amount to one-third of its total paid-up registered capital;
- iii. shareholders individually or jointly hold 10% or more of the Company’s shares (including preference shares with restored voting rights) request in writing the convening of an extraordinary general meeting;
- iv. the Board of Directors considers it necessary to convene an extraordinary general meeting;
- v. the audit committee proposes a relevant proposal;
- vi. any other circumstances stipulated in laws, regulations, the securities regulatory rules of the place where the shares of the Company are [REDACTED], or the Articles of Association.

If a general meeting is to be convened, the Board of Directors, the audit committee, or shareholders who individually or jointly hold 1% or more of the Company’s shares (including preference shares with restored voting rights) may submit proposals.

When an annual general meeting is to be convened, the Company shall notify shareholders by way of announcement 21 days before the meeting is held. When an extraordinary general meeting is to be convened, the Company shall issue written notice 15 days before the meeting is held.

Notices of general meetings shall be in written form and include the following:

- i. the venue, date and time of the meeting;
- ii. the matters and proposals to be considered at the meeting;
- iii. a clear statement that all shareholders are entitled to attend the meeting and to appoint proxies to attend and vote on their behalf, and that proxies need not be shareholders;
- iv. the record date for shareholders entitled to attend the meeting;
- v. the name and telephone number of the meeting contact person;
- vi. the voting time and voting procedures in respect of internet or other alternative voting methods;
- vii. other requirements stipulated in laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are [REDACTED], or the Articles of Association.

Notices of general meetings and any supplementary notices shall fully and completely disclose all material details of each resolution to be proposed.

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Resolutions of general meetings include ordinary resolutions and special resolutions. The following matters shall be approved by ordinary resolution at a general meeting:

- i. the work report of the Board of Directors;
- ii. the profit distribution plan and plan for making up losses prepared by the Board of Directors;
- iii. the appointment or removal of members of the Board of Directors and their remuneration and method of payment;
- iv. other matters stipulated in laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are [REDACTED], or the Articles of Association, other than matters to be approved by special resolution.

The following matters shall be approved by special resolution at a general meeting:

- i. increase or reduction of the Company's registered capital;
- ii. division, spin-off, merger, dissolution and liquidation of the Company;
- iii. amendments to the Articles of Association;
- iv. acquisition or disposal by the Company of substantial assets or provision of guarantee by the Company to others within one year, exceeding 30% of the Company's latest audited total assets;
- v. share incentive scheme;
- vi. other matters which an ordinary resolution of the general meeting determines may have a material impact on the Company and which are required by laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are [REDACTED], or the Articles of Association to be approved by special resolution.

If any resolution of a general meeting or any resolution of the Board of Directors violates laws or administrative regulations, any shareholder shall have the right to request the court to declare it invalid.

If the procedures for convening a meeting of, or the method of voting at, a general meeting or board meeting are in breach of any law, administrative regulation or these Articles of Association, or the content of a resolution is in breach of the Articles of Association, shareholders may petition to a court to rescind such resolutions within 60 days from the date on which such resolution is passed, unless there are only minor defects in the convening procedures or voting methods of the general meeting or board meeting which do not materially affect such resolution.

9. TRANSFER OF SHARES

Shares issued by the Company before its [REDACTED] of shares shall not be transferred within one year from the date on which the Company's shares are [REDACTED] and [REDACTED] on a stock exchange.

Directors and senior management of the Company shall declare to the Company information regarding the Company's shares they hold and any changes thereto. The number of shares they may transfer each year during their term of office shall not exceed 25% of the total number of the Company's shares they hold. The Company's shares they hold shall not be transferred within one year from the date on which the Company's shares are [REDACTED] and [REDACTED]. Such persons shall not transfer the Company's shares they hold within six months from the date of their resignation.

If the securities regulatory authorities of the place where the shares of the Company are [REDACTED] and the CSRC (if applicable) have other provisions on restrictions on transfer of H Shares, such provisions shall prevail.

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10. POWER OF THE COMPANY TO REPURCHASE ITS SHARES

The Company shall not repurchase its own shares except under any of the following circumstances and provided that such repurchase does not violate laws, regulations, the securities regulatory rules of the place where the shares of the Company are [REDACTED] and the Articles of Association:

- i. to reduce the Company’s registered capital;
- ii. to merge with another company holding our shares;
- iii. to grant shares to employees of the Company as incentives;
- iv. to require the Company to repurchase shares from shareholders who voted against any resolution regarding the merger and division of the Company at a general meeting;
- v. to convert shares into bonds convertible into the Company’s shares issued by the Company;
- vi. where it is necessary for the Company to maintain the value of the Company and the interests of shareholders.

11. POWER OF ANY SUBSIDIARY OF OUR COMPANY TO OWN SHARES IN ITS PARENT

The Articles of Association do not include provisions regarding a subsidiary of our Company to hold shares in its parent company.

12. DIVIDENDS AND OTHER METHODS OF DISTRIBUTION

Our Company may distribute dividends by way of cash or shares.

The Board of Directors shall complete the distribution of dividends (or shares) within two months after the shareholders’ meeting passes a resolution on the profit distribution plan, or shall make the distribution after formulating a specific plan based on the conditions and upper limit for interim dividends in the following year as approved by the annual shareholders’ meeting.

13. SHAREHOLDER PROXY

Shareholders may attend the shareholders’ meeting in person or authorize a non-shareholder representative to attend and vote on their behalf at the meeting.

Any proxy issued by a shareholder authorizing a proxy to attend a shareholders’ meeting on his behalf shall include the following particulars:

- i. Name or title of the appointing party, and the class and number of shares of the Company held;
- ii. Name or title of proxy;
- iii. Shareholders’ specific instructions, including instructions to vote in favor of, against, or abstain on each item listed on the agenda of the shareholders’ meeting;
- iv. Date of issuance and validity period of the proxy authorization letter;
- v. Signature (or seal) of the appointing party. If the appointing party is a corporate shareholder, the corporate seal shall be affixed.

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14. SHARE CALLS AND SHARE FORFEITURE

The Articles of Association contain no provisions regarding the calling up of shares or the forfeiture of shares.

15. INSPECT THE SHAREHOLDERS’ REGISTER

The Company maintains a shareholder register in accordance with the regulations of the securities registration authority. The shareholder register constitutes conclusive evidence of a shareholder’s ownership of shares in the Company. Shareholders shall bear corresponding obligations commensurate with the type and number of shares they hold in the Company.

Shareholders holding shares of the same class shall have equal rights and bear equal obligations.

The original share register of [REDACTED] in [REDACTED] shall be kept in [REDACTED].

When the Company convenes a shareholders’ meeting, distributes dividends, commences liquidation proceedings, or engages in other activities requiring identity verification, the Board of Directors shall determine the record date for shareholding. Shareholders listed in the shareholder register upon the expiration of the record date shall be deemed entitled to the relevant rights and benefits.

16. QUORUM FOR SHAREHOLDERS’ MEETING

The Articles of Association contain no provisions regarding the quorum for shareholders’ meetings.

17. MINORITY SHAREHOLDERS’ RIGHTS IN CASES OF FRAUD OR OPPRESSION

If any director or senior management personnel (excluding members of the Audit Committee) violates laws, administrative regulations, or the Articles of Association in the performance of their duties, thereby causing any loss to the Company, shareholders holding 1% or more of the Company’s shares, either individually or collectively, for a continuous period exceeding 180 days, shall have the right to request the Audit Committee in writing to file a lawsuit with the People’s Court. If any member of the Audit Committee violates laws, administrative regulations, or the Articles of Association while performing their duties and causes any loss to the Company, the aforementioned shareholders shall have the right to request the Board of Directors in writing to file a lawsuit with the People’s Court.

If the Audit Committee or the Board of Directors refuses to initiate litigation after receiving the aforementioned written request, or fails to initiate litigation within 30 days of receiving the aforementioned written request, or in an emergency where any delay in initiating litigation may cause irreparable damage to the Company’s interests, the aforementioned shareholders shall have the right to file lawsuits directly with the People’s Court in their personal capacity on the grounds of protecting the interests of the Company.

If any other person infringes upon the lawful rights and interests of the Company and causes any loss to the Company, the shareholders specified in the first paragraph may file a lawsuit with the People’s Court in accordance with the preceding paragraph.

If a director or senior management personnel of a wholly-owned subsidiary of the Company violates laws, administrative regulations, or the Articles of Association in the performance of their duties, thereby causing any loss to the Company, or if a third party infringes upon the lawful rights and interests of such wholly-owned subsidiary, resulting in loss, Shareholders holding 1% or more of the Company’s shares for a continuous period exceeding 180 days, either individually or collectively, shall have the right to submit a written request to the supervisory board or board of directors of such wholly-owned subsidiary, demanding that it file a lawsuit with the People’s Court in accordance with the relevant provisions of the Company Law, or to file a lawsuit directly with the People’s Court in their personal capacity.

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If a wholly-owned subsidiary of the Company does not have a supervisory board or supervisors but has established an audit committee, it shall follow the procedures set forth in paragraphs 1 and 2 above.

If any director or senior management personnel violates laws, administrative regulations, or the Articles of Association and thereby harms the interests of shareholders, shareholders may file a lawsuit with the People’s Court.

18. LIQUIDATION PROCEDURES

The Company shall be dissolved in any of the following circumstances:

- (i) its term of business operation as prescribed in the Articles of Association expires or any cause of dissolution as prescribed in the Articles of Association occurs;
- (ii) the shareholders’ meeting resolves to dissolve the Company;
- (iii) dissolution of the Company is necessary due to any merger or demerger;
- (iv) its business license is revoked or it is ordered to close down or be dissolved in accordance with the law; and
- (v) in the event that the Company encounters substantial difficulties in its operation and management and its continuance shall cause a significant loss, in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold 10% or more than 10% of the total shareholders’ voting rights of the Company may present a petition to the People’s Court for the dissolution of the Company.

If any of the dissolution events specified in the preceding paragraph occurs, the Company shall announce the relevant dissolution event through the Public Database of National Enterprise Credit Information within 10 days from the date such event occurs.

If the Company is dissolved due to any of the circumstances specified in items (1), (2), (4), or (5) above, it shall undergo liquidation. The directors shall act as liquidators and establish a liquidation committee within 15 days from the date the dissolution event occurs. The members of the liquidation committee shall consist of directors or persons designated by the shareholders’ meeting.

Within 10 days of its establishment, the liquidation committee shall notify creditors and make a public announcement within 60 days. Creditors shall file their claims with the liquidation committee within 30 days of receiving the notice. Creditors who did not receive the notice shall file their claims within 45 days of the date of the public announcement, except for creditors who did not receive the notice.

After ascertaining the Company’s assets and preparing the balance sheet and inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders’ meeting or the People’s Court for confirmation.

Upon completion of the company’s liquidation, the liquidation committee shall prepare a liquidation report, submit it to the shareholders’ meeting or the People’s Court for confirmation, and file an application with the company registration authority to process the Company’s deregistration.

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19. OTHER IMPORTANT PROVISIONS FOR OUR COMPANY OR THE SHAREHOLDERS

(1) General Provisions

Our Company is a permanently existing joint stock limited company.

Pursuant to the Articles of Association, any shareholder may bring legal action against other shareholders, directors, or senior management personnel; any shareholder may bring legal action against the Company; and the Company may also bring legal action against any shareholder, director, or senior management personnel.

(2) Capital Increase and Reduction

The Company may, in accordance with laws and regulations and upon approval by the shareholders’ meeting, increase its capital stock through the following methods to meet operational and management needs:

- i. Issuance of shares through a public offering;
- ii. Issuance of shares through a private placement;
- iii. Allotting bonus shares to existing shareholders;
- iv. Converting reserves into shares; and
- v. Other methods approved by laws, administrative regulations, departmental rules, relevant regulatory authorities in the company’s [REDACTED] jurisdiction, and the China Securities Regulatory Commission (where applicable).

The Company may reduce its registered capital, provided that it complies with the procedures stipulated in the Company Law of the People’s Republic of China, the securities regulatory rules of the stock exchange where the Company’s shares are [REDACTED], other relevant laws and regulations, and the Company’s Articles of Association.

(3) Shareholders

Shareholders shall enjoy corresponding rights and bear corresponding obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and bear the same obligations.

The rights of our common shareholders are as follows:

- i. receive dividends and other forms of profit distribution in proportion to the number of shares they hold;
- ii. request the convening of, to convene, to preside over, and to attend shareholders’ meetings in person or by proxy, to speak at the shareholders’ meeting and to exercise corresponding voting rights in accordance with the law;
- iii. supervise and manage the Company’s business and operations and to make suggestions or inquiries;
- iv. transfer, grant, or pledge their shares in accordance with applicable laws, administrative regulations, regulatory rules of the Company’s share [REDACTED] location, and the provisions of the Articles of Association;

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- v. in accordance with the provisions of the Articles of Association, obtain relevant information, including inspection and copying of the Articles of Association, shareholder register, minutes of shareholders’ meetings, and resolutions of board meetings; qualified shareholders may inspect accounting books and accounting vouchers;
- vi. participate in the distribution of the Company’s residual assets in proportion to their shareholdings upon termination or liquidation of the Company;
- vii. require the Company to repurchase their shares if they dissent from a resolution of the shareholders’ meeting on merger or division;
- viii. other rights conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the company’s stock [REDACTED] location, and the Articles of Association.

(4) The Board

The Board of Directors is responsible to the shareholders’ meeting.

The Board of Directors exercises the following powers:

- i. convene shareholders’ meeting and report on work to shareholders’ meeting;
- ii. implement the resolutions of the shareholders’ meeting;
- iii. resolve on the Company’s business plans and investment plans;
- iv. devise our profit distribution and loss offset plans;
- v. formulate the plans for increasing or decreasing our registered capital and the issue of corporate bonds or other securities, and [REDACTED] arrangements;
- vi. formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;
- vii. determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, related transactions, and external donations of the Company within the scope authorized by the Articles of Association or the shareholders’ meeting;
- viii. decide on the setup of our Company’s internal management organization;
- ix. decide on the appointment or dismissal of the Company’s general manager, secretary to the Board of Directors and other members of the senior management, and decide on the matters in relation to their remuneration, rewards and punishments; decide on the appointment or dismissal of the Company’s vice general manager, financial director and other members of the senior management based on the nomination of the general manager, and decide on matters in relation to their remuneration, reward and punishment;
- x. formulate the basic management system of the Company;
- xi. formulate proposals for any amendment to the Articles of Association;
- xii. manage the information disclosure of the Company;

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- xiii. request the shareholders’ meeting to engage or replace the accounting firm that provides audit services for the Company;
- xiv. debrief the work report of the general manager of the Company and check the work of the general manager;
- xv. formulate and implement the Company’s equity incentives plan;
- xvi. other functions and powers granted by the laws, administrative regulations, departmental rules, securities regulatory rules of the company’s stock [REDACTED] location, and the Articles of Association.

A meeting of the Board of Directors shall be duly convened only when more than half of the directors are present. Unless otherwise provided in the Articles of Association, resolutions of the Board of Directors shall be passed by a simple majority of all directors.

The Board of Directors of the Company shall provide an explanation to the shareholders’ meeting regarding the issuance of a non-standard audit report by the certified public accountants on the Company’s financial statements.

(5) Independent Non-Executive Director

The Board of Directors of the Company comprises three independent non-executive directors. At least one independent non-executive director shall possess applicable professional qualifications or relevant expertise in accounting or financial management.

(6) Board Secretary

The Board Secretary is a senior executive of the Company responsible for organizing shareholder meetings and board meetings, maintaining corporate records, managing shareholder information, and handling information disclosure matters, while complying with all applicable laws, administrative regulations, departmental rules, and the provisions of the Articles of Association. The Company shall appoint one Board Secretary.

(7) Audit Committee

The Company shall establish an Audit Committee.

The Audit Committee shall consist of three directors.

The Audit Committee shall be composed of directors who are not senior management personnel of the Company, with at least two being independent directors. The convener shall be an accounting professional among the two independent directors.

The Audit Committee is responsible for reviewing the Company’s financial information and its disclosure, as well as supervising and evaluating the Company’s internal and external audit work and internal controls. The following matters shall be submitted to the Board of Directors for consideration only after being approved by a majority of all members of the Audit Committee:

- i. disclosure of financial information in financial reports and periodic reports, and internal control evaluation reports;
- ii. engagement or dismissal of the accounting firm responsible for auditing the [REDACTED] company;
- iii. appointment or dismissal of the chief financial officer of the [REDACTED] company;

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- iv. changes in accounting policies, changes to accounting estimates or correction of material accounting errors made for reasons other than changes in accounting standards;
- v. any other matters prescribed by laws, administrative regulations, securities regulatory rules of the company’s stock [REDACTED] location, and the Articles of Association.

(8) General Manager

Our Company includes one general manager, appointed or dismissed by the Board of Directors. The general manager of our Company is responsible to the Board of Directors and exercises the following powers:

- i. be in charge of the production and operational management of our Company, to organize the enforcement of resolutions of the Board of Directors, and report work to the Board of Directors;
- ii. organize the implementation of the annual operation plans and investment schemes of our Company;
- iii. formulate the structure scheme of the internal management agency of our Company;
- iv. formulate the basic management system of our Company;
- v. formulate the specific rules of our Company;
- vi. propose to the Board of Directors the appointment or dismissal of the deputy general manager, chief financial officer or other senior management of our Company;
- vii. appoint or dismiss management other than those to be appointed or dismissed by the Board of Directors;
- viii. other powers and duties authorized by the Articles of Association and the Board of Directors.

(9) Reserves

When the annual after-tax earnings of our Company are distributed, the Company shall allocate 10% of the profits to the statutory reserve. When the aggregate amount of the statutory reserve exceeds 50% of our Company’s registered capital, no more allocations need to be provided.

If our statutory reserve is insufficient to offset our losses incurred during the previous years, the profits generated during the current year must be used to make up the losses before allocating the statutory reserve in accordance with the requirements set forth in the preceding paragraph.

After allocation to the statutory reserve from the profits after tax of our Company, we may also allocate post-tax profits to any reserve fund in accordance with resolutions adopted at shareholders’ meetings.

After offsetting the losses and allocating to the statutory reserve, all remaining profits after tax may be distributed in proportion to Shares held by Shareholders, except as otherwise provided in the Articles of Association.

If a shareholders’ meeting distributes profits to shareholders in violation of the above provisions, the shareholders shall return the unlawfully distributed profits to the company. If the company suffers losses as a result, the shareholders and responsible directors and senior management personnel shall bear liability for compensation.

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The Shares held by our Company may not participate in the profit distribution.

The Company’s reserve funds shall be used to offset losses, expand business and operations scale, or increase capital.

When the Company uses reserves to offset losses, it shall first utilize discretionary reserves and statutory reserves. If these reserves are insufficient to cover the losses, capital reserves may be used to offset the Company’s losses.

Where statutory reserves are converted into registered capital, the remaining statutory reserves shall not be less than 25% of the Company’s registered capital prior to the conversion.