

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

SHARE ISSUANCE

Shares of the Company shall be issued in an open, fair and impartial manner, and each Share of the same class shall have the same rights.

Shares issued at the same time and within the same class must be issued on the same conditions and at the same price for each Share; the subscriber shall pay the same price for each Share it/he/she subscribes for.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Based on its operational and development needs, the Company may, pursuant to the provisions of the laws and regulations, securities regulatory rules of the place where the Shares of the Company are listed, and with the approval by a resolution at the Shareholders' meeting, increase its capital by the following ways:

- (I) issuing Shares to non-specific investors;
- (II) issuing Shares to specific investors;
- (III) issuing bonus Shares to existing Shareholders;
- (IV) converting reserve fund into share capital;
- (V) other means as stipulated by laws, administrative regulations and approved by the stock exchange where the Shares of the Company are listed and other competent regulatory authorities.

The Company may reduce its registered capital. Any reduction in the registered capital of the Company shall comply with the procedures stipulated in the Company Law, securities regulatory rules of the place where the Shares of the Company are listed, other relevant provisions and the Articles of Association.

The Company shall not purchase its own Shares, except under any of the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies that hold the Shares of the Company;
- (III) to use the Shares for employee stock ownership plans or as equity incentive;
- (IV) to purchase its own Shares at the request made by Shareholders who have dissenting views on any resolutions adopted at the Shareholders' meeting concerning the merger or division of the Company;
- (V) to use Shares for conversion of corporate bonds issued by the listed company which are convertible into Shares;
- (VI) it is necessary for the Company to maintain its value and safeguard Shareholders' interests;
- (VII) other circumstances as permitted by laws, administrative regulations and regulatory rules of the place where the Shares of the Company are listed.

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The Company may purchase its own Shares through centralized public trading, or through any other means permitted by laws, administrative regulations and the securities regulatory authority of the place where the Shares of the Company are listed.

The purchase by the Company of its own Shares under any of the circumstances specified in items (III), (V) and (VI) of the first paragraph above shall be made through public centralized trading and other means permitted by laws and regulations, the CSRC, and other securities regulatory authority of the place where the Shares of the Company are listed.

The purchase by the Company of its own Shares under any of the circumstances specified in items (I) and (II) of the first paragraph above shall be subject to resolution passed by the Shareholders’ meeting. The purchase by the Company of its own Shares under any of the circumstances specified in items (III), (V) and (VI) of the first paragraph above shall be subject to a Board resolution approved by more than two-thirds of Directors attending the Board meeting in accordance with the provisions of the Articles of Association.

After purchasing its own Shares in accordance with the provisions of the first paragraph above, subject to the applicable securities regulatory rules of the place where the Shares of the Company are listed and under the circumstances specified in item (I) above, the Shares shall be canceled by the Company within 10 days from the date of purchase; under the circumstances specified in items (II) and (IV), the Shares shall be transferred or canceled by the Company within six months; under the circumstances specified in items (III), (V) and (VI), the total number of Shares of the Company held by the Company shall not exceed 10% of the total issued Shares of the Company and the Shares shall be transferred or canceled within three years. Notwithstanding the above provisions, where otherwise provided for by applicable laws and regulations, and the securities regulatory authority of the place where the Shares of the Company are listed in relation to matters regarding share repurchases, such provisions shall prevail. After purchasing its own Shares, the Company shall perform the information disclosure obligations as stipulated in the Securities Law and the securities regulatory rules of the place where the Shares of the Company are listed.

SHARE TRANSFER

The Shares of the Company shall be transferred in accordance with laws. All transfers of H Shares shall be effected by instruments of transfer in writing in an ordinary or regular form or in any other form acceptable to the Board (including the standard transfer format or transfer form as prescribed by the Hong Kong Stock Exchange from time to time); and such instruments of transfer may only be executed by hand or under the valid seal of the Company (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house (hereinafter referred to as the “**Recognized Clearing House**”) or its agent as defined by relevant provisions of the Hong Kong laws in force from time to time, the instrument of transfer may be signed by hand or by machine-printed signatures. All the instruments of transfer shall be maintained at the legal address of the Company or the address as the Board may specify from time to time.

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

Shares issued by the Company prior to [REDACTED] of Shares shall not be transferred within one year from the date on which the Shares of the Company are listed and traded on a stock exchange.

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Directors and senior management of the Company shall declare to the Company their shareholdings in the Company and any changes of such shareholdings; they shall not transfer more than 25% of all the Shares they hold in the Company annually during their term of office as determined at the time of his/her assumption of office; and they shall not transfer the Shares they hold in the Company within one year from the date on which the Shares of the Company are listed and traded. The aforesaid persons are not allowed to transfer their Shares of the Company within half a year from the date of their resignation.

If the securities regulatory rules of the place where the Shares of the Company are listed have additional provisions on the restrictions on the transfer of the Company's Shares, the relevant parties shall also comply with such provisions.

Where Shareholders who hold more than 5% of the Shares of the Company, Directors or the senior management sell the Shares or any other securities of the Company that are equity in nature held by them within six months after the purchase, or purchase them again within six months after the sale, the proceeds received therefrom shall belong to the Company, and the Board of the Company shall recover such proceeds, except where a securities company holds more than 5% of the Shares due to its purchase of any unsubscribed Shares in an underwriting transaction, and under other circumstances stipulated by the securities regulatory authority of the place where the Shares of the Company are listed.

The Shares or any other securities that are equity in nature held by the Directors, senior management and natural person shareholders mentioned in the preceding paragraph include those held by their spouses, parents, children, as well as those held through other parties' accounts.

In the event that the Board of the Company fails to comply with the preceding provisions, Shareholders have the right to require the Board to implement such provisions within 30 days. If the Board of the Company fails to take action within such time limit, Shareholders are entitled to institute proceedings directly in their own names before the people's court for the benefit of the Company.

In the event that the Board of the Company fails to comply with the above provisions, the Directors who are responsible for the matter shall assume joint and several liability under laws.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

The Company shall establish a register of members based on the vouchers provided by the securities registration and clearing institution. The register of members shall be the sufficient evidence proving the Shareholders' holding of the Shares of the Company. The original register of members of H Shares shall be kept in Hong Kong and is available for Shareholders' inspection, but the Company may close the register of members in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the Shares of the Company are listed. Shareholders enjoy rights and assume obligations according to the class of Shares held by them; Shareholders who hold Shares of the same class enjoy equal rights and assume equal obligations.

When the Company convenes a Shareholders' meeting, distributes dividends, conducts liquidation or is engaged in any other acts requiring the identification of Shareholders, the Board or the convener of the Shareholders' meeting shall determine the record date. Shareholders whose names appear on the register of members after the trading hours of the record date are those entitled to the relevant rights and interests. If the Hong Kong Listing Rules have provisions on the period of closure of the register of members before the convening of a Shareholders' meeting or before the Company determines the record date for dividend payment, such provisions shall prevail.

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Any Shareholder whose name is recorded in the register of members of H Shares or any person who requests to have his/her name recorded in the register of members of H Shares may apply to the Company for the re-issue of new share certificate in respect of the Shares if his/her share certificate is lost. If a Shareholder of overseas-listed foreign Shares loses his/her share certificate, he/she may apply for re-issue in accordance with the laws, the rules of the stock exchange or other relevant provisions of the place where the original copy of the register of members of overseas-listed foreign Shares is kept. The rights of the Company’s Shareholders are as follows:

- (I) to receive distribution of dividends and other forms of benefits in proportion to the number of Shares held by them;
- (II) to demand, convene, preside, attend or appoint proxy(ies) to attend the Shareholders’ meetings in accordance with laws and to exercise corresponding voting rights;
- (III) to supervise the operations of the Company, provide suggestions or raise queries;
- (IV) to transfer, grant or pledge the Shares held in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- (V) to inspect and copy the Articles of Association, register of members, minutes of Shareholders’ meetings, resolutions of the Board meetings, and financial and accounting reports. Shareholders who meet the requirements may inspect the Company’s accounting books and accounting vouchers;
- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the number of Shares held by them;
- (VII) for Shareholders who have dissenting views on the resolutions of merger or division made by the Shareholders’ meeting, to request the Company to purchase their Shares;
- (VIII) any other rights as provided for by laws, administrative regulations, departmental rules or the Articles of Association, and the provisions of the securities regulatory authority of the place where the Shares of the Company are listed.

Where any Shareholder requests to inspect or copy the relevant information, he/she shall comply with the provisions of Company Law, the Securities Law and other laws, administrative regulations and the Hong Kong Listing Rules, and provide written documents proving the classes and numbers of Shares of the Company they hold to the Company. The Company shall provide such information after Shareholder’s identity is verified.

Where the content of a resolution of the Shareholders’ meeting and the Board of the Company violates laws or administrative regulations, the Shareholders are entitled to request the people’s court to hold it invalid.

If the convening procedures or voting methods of the Shareholders’ meeting and the 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, the Shareholders are entitled to request the people’s court to revoke the resolution within 60 days from the date it is passed, except where there are only minor defects in the convening procedures or voting methods of the Shareholders’ meeting and the meeting of the Board, which do not materially affect the resolution(s).

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Where the Board, Shareholders and other relevant parties dispute the validity of a resolution of the Shareholders’ meeting, they may file a lawsuit with the people’s court in a timely manner. Before the people’s court makes a judgement or ruling, the relevant parties shall implement the resolution of the Shareholders’ meeting. The Company, the Directors and the senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the people’s court makes a judgement or ruling on the relevant matter, the Company shall perform its information disclosure obligations in accordance with the laws, administrative regulations, the requirements of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where rectification to prior actions is involved, such rectification is required to be implemented in a timely manner and the corresponding information disclosure obligations shall be fulfilled.

The resolution of a Shareholders’ meeting or the Board of the Company shall be invalid under any of the following circumstances:

- (I) the resolution was not passed by a Shareholders’ meeting or a Board meeting;
- (II) the resolution was not voted on at a Shareholders’ meeting or a Board meeting;
- (III) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association;
- (IV) the number of attendees voting in favor of the resolution or their voting rights does not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.

In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed or the Articles of Association by the Directors other than the members of the Audit Committee or senior management members when performing duties of the Company, the Shareholders individually or jointly holding 1% or more Shares of the Company for over 180 consecutive days are entitled to request the Audit Committee in writing to initiate proceedings before the people’s court; in the event of any loss caused to the Company as a result of violation of any laws, administrative regulations or the Articles of Association by the members of the Audit Committee when performing duties of the Company, the aforementioned Shareholders may request the Board in writing to initiate proceedings before the people’s court.

In the event that the Audit Committee or the Board refuses to initiate proceedings upon receipt of the Shareholders’ written request specified in the preceding paragraph, or fails to initiate proceedings within 30 days upon receipt of such request, or in the event that the failure to immediately initiate proceedings in an emergency case will cause irreparable damage to the interests of the Company, the Shareholders specified in the preceding paragraph may, in their own name, directly initiate proceedings before a people’s court for the interests of the Company.

If any person infringes upon the legitimate rights and interests of, and cause losses to, the Company, the Shareholders as stipulated in the first paragraph above may initiate proceedings before a people’s court in accordance with the provisions of the preceding two paragraphs.

If any directors, supervisors or senior management members of a wholly-owned subsidiary of the Company causes any loss to the Company as a result of violation of the laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed

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or the Articles of Association when performing their duties, or in the event of any loss caused by an individual as a result of the infringement upon legitimate rights and interests of a wholly-owned subsidiary of the Company, the Shareholders individually or jointly holding 1% or more of the Company’s Shares for more than 180 consecutive days may, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, request the board of supervisors and the board of directors of the wholly-owned subsidiary of the Company in writing to initiate proceedings before a people’s court or directly initiate proceedings before a people’s court in their own names.

Where a wholly-owned subsidiary of the Company does not have a board of supervisors or supervisors and has an audit committee, the provisions of the first and second paragraphs above shall apply.

If any Directors or senior management members violate the laws, administrative regulations, or the Articles of Association and harm the interests of the Shareholders, the Shareholders may initiate proceedings before a people’s court.

Shareholders of the Company shall assume the following obligations:

- (I) to abide by the laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association;
- (II) to pay subscription monies according to the number of Shares they subscribed for and the method of subscription;
- (III) not to divest the Shares capital except as required by the laws and regulations;
- (IV) not to abuse the rights of Shareholders to damage the interests of the Company or other Shareholders; not to abuse the independent status of the Company as a legal person and the limited liability of Shareholders to damage the interests of the creditors of the Company;
- (V) to fulfil any other obligations imposed by the laws, administrative regulations and the Articles of Association, and the securities regulatory rules of the place where the Shares of the Company are listed.

If a Shareholder of the Company abuses the rights as Shareholder and causes losses to the Company or other Shareholders, he/she shall be liable for compensation in accordance with the laws. If a Shareholder of the Company abuses the independent status of the Company as a legal person and the limited liability of Shareholders to evade debts, seriously harming the interests of the Company’s creditors, he/she shall bear joint and several liabilities for the Company’s debts.

CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

The controlling shareholders and de facto controllers of a company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, requirements of the CSRC and the stock exchange to safeguard the interests of the listed company.

The controlling shareholders and the de facto controllers of the Company shall comply with the following provisions:

- (I) to exercise their rights as Shareholders in accordance with the laws, and not to abuse their controlling power or to use their connected relationship to prejudice the legitimate interests of the Company or other Shareholders;

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- (II) to strictly implement the public statements and undertakings made and shall not change or waive them without authorization;
- (III) to fulfill information disclosure obligations in strict accordance with relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are about to occur;
- (IV) not to appropriate the Company's funds in any way;
- (V) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of the laws and regulations;
- (VI) not to make use of the Company's undisclosed material information to gain benefits, not to divulge in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (VII) not to prejudice the legitimate rights and interests of the Company and other Shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way;
- (IX) to act in accordance with other provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association.

Where a controlling Shareholder or a de facto controller of the Company does not act as a Director of the Company but actually carries out the affairs of the Company, the provisions of the Articles of Association relating to the duties of loyalty and diligence of Directors shall apply.

Where a controlling Shareholder or a de facto controller of the Company instructs a Director or a senior management member to engage in an act that is detrimental to the interests of the Company or the Shareholders, he/she shall assume joint and several liabilities with such Director or such senior management member.

Where a controlling Shareholder or a de facto controller pledges the Shares of the Company that he/she holds or actually controls, he/she shall maintain his/her control over the Company and the stability of its production and operations.

Where a controlling Shareholder or a de facto controller transfers the Shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of Shares under the laws, administrative regulations, and the securities regulatory rules of the place where the Shares of the Company are listed, as well as his/her undertakings in respect of the restriction on the transfer of Shares.

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GENERAL PROVISIONS OF THE SHAREHOLDERS’ MEETING

The Company’s Shareholders’ meeting shall be composed of all Shareholders. The Shareholders’ meeting is the Company’s power organ and shall exercise the following functions and powers in accordance with the law:

- (I) to elect and replace Directors and decide on matters concerning the remuneration of the Directors;
- (II) to consider and approve the reports of the Board;
- (III) to consider and approve the Company’s profit distribution plan and loss recovery plan;
- (IV) to resolve on the increase or decrease of the Company’s registered capital;
- (V) to resolve on the issuance of corporate bonds;
- (VI) to resolve on the merger, division, dissolution, liquidation or change in the form of the Company;
- (VII) to amend the Articles of Association;
- (VIII) to resolve on the appointment and dismissal of the accounting firm that undertakes the Company’s auditing engagement;
- (IX) to consider and approve the guarantees as stipulated in Article 47 and the transactions as stipulated in Article 48 of the Articles of Association;
- (X) to consider any purchase or sale of major assets within a year with a value exceeding 30% of the Company’s latest audited total assets;
- (XI) transactions between the Company and related parties (excluding providing guarantees) with an amount of more than RMB30 million and accounting for more than 5% of the absolute value of the Company’s latest audited net assets. Transactions with the same related party or transactions with different related parties related to the same transaction subject shall be calculated on a cumulative basis over 12 consecutive months;
- (XII) to consider and approve the changes in the use of proceeds raised;
- (XIII) to consider the equity incentive plans and the employee stock ownership plan;
- (XIV) the annual Shareholders’ meeting of the Company may authorize the Board to decide to issue Shares with a total financing amount not exceeding RMB300 million and no more than 20% of the net assets as at the end of the prior year to specific subscriber(s). Such authorization shall expire on the convention date of the next annual Shareholders’ meeting.
- (XV) to consider other matters that shall be decided at the Shareholders’ meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s Shares are listed or the Articles of Association.

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The Shareholders’ meeting may authorize the Board to resolve on the issuance of corporate bonds.

The Company may issue Shares and corporate bonds convertible into Shares upon the resolution of the Shareholders’ meeting or upon the resolution of the Board authorized by the Articles of Association. The specific implementation shall comply with the provisions of laws, administrative regulations, the CSRC and the stock exchange.

Unless otherwise provided by laws, administrative regulations, or the securities regulatory rules of the place where the Company’s Shares are listed, the above-mentioned powers and functions of the Shareholders’ meeting shall not be exercised by the Board or other institutions and individuals through authorization.

Shareholders’ meetings are divided into annual Shareholders’ meetings and extraordinary Shareholders’ meetings. The annual Shareholders’ meeting shall be convened once a year and shall be held within six months after the end of the prior financial year.

In any of the following circumstances, the Company shall convene an extraordinary Shareholders’ meeting within two months from the date when the circumstance arises:

- (I) when the number of Directors is less than the number specified in the Company Law or two-thirds of the number specified in the Articles of Association;
- (II) when aggregate uncovered losses of the Company reach one-third of the total paid-in share capital;
- (III) when Shareholders individually or jointly holding more than 10% of the Company’s Shares so request;
- (IV) when deemed necessary by the Board;
- (V) when proposed by the Audit Committee;
- (VI) other circumstances stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s Shares are listed, or the Articles of Association.

The place for convening the Company’s Shareholders’ meeting shall be the domicile of the Company or the meeting location clearly stated in the notice of the Shareholders’ meeting. The Shareholders’ meeting shall have a venue for convening the meeting on-site. The Company shall also provide online voting method for facilitating shareholders to participate in the Shareholders’ meeting. Shareholders who participate in the Shareholders’ meeting in the above ways shall be deemed present.

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CONVENING OF THE SHAREHOLDERS' MEETING

The Board shall convene the Shareholders' meeting on time within the prescribed time limit.

With the consent of more than half of all independent Directors, independent Directors shall have the right to propose to the Board to convene an extraordinary Shareholders' meeting. Regarding the proposal made by independent Directors to convene an extraordinary Shareholders' meeting, the Board shall, in accordance with the provisions of the laws, administrative regulations and the Articles of Association, reply in writing within ten days after receiving the proposal, indicating whether it agrees or disagrees to convene an extraordinary Shareholders' meeting. If the Board agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice to convene the Shareholders' meeting within five days after the resolution of the Board; if the Board disagrees to convene an extraordinary Shareholders' meeting, it shall state the reasons and make an announcement.

The Audit Committee has the right to propose to the Board to convene an extraordinary Shareholders' meeting and shall submit such a proposal to the Board in writing. The Board shall, in accordance with the provision of the laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association, reply in writing within ten days after receiving the proposal, indicating whether it agrees or disagrees to convene the extraordinary Shareholders' meeting.

If the Board agrees to convene the extraordinary Shareholders' meeting, it shall issue a notice to convene the Shareholders' meeting within five days after the resolution of the Board. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

If the Board disagrees to convene the extraordinary Shareholders' meeting or fails to reply within ten days after receiving the proposal, the Board shall be deemed as unable or unwilling to perform its duty of convening the Shareholders' meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders individually or jointing holding more than 10% of the Company's Shares shall have the right to request the Board to convene an extraordinary Shareholders' meeting and shall submit such a request to the Board in writing. The Board shall, in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association, reply in writing within ten days after receiving the request, indicating whether it agrees or disagrees to convene the extraordinary Shareholders' meeting.

If the Board agrees to convene the extraordinary Shareholders' meeting, it shall issue a notice to convene the Shareholders' meeting within five days after the resolution of the Board. Any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the Board disagrees to convene the extraordinary Shareholders' meeting or fails to reply within ten days after receiving the request, shareholders individually or jointing holding more than 10% of the Company's Shares shall have the right to propose to the Audit Committee to convene an extraordinary Shareholders' meeting and shall submit such request to the Audit Committee in writing.

If the Audit Committee agrees to convene the extraordinary Shareholders' meeting, it shall issue a notice to convene the Shareholders' meeting within five days after receiving the request. Any changes to the original proposal in the notice shall be subject to the consent of the relevant Shareholders.

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If the Audit Committee fails to issue the notice of the Shareholders' meeting within the specified time limit, the Audit Committee shall be deemed as failure to convene and preside over the Shareholders' meeting. Shareholders individually or jointing holding more than 10% of the Company's Shares for more than 90 consecutive days may convene and preside over the meeting on their own.

If the Audit Committee or the Shareholders decide to convene the Shareholders' meeting on their own, they must notify the Board in writing and, in accordance with the securities regulatory rules of the place where the Company's Shares are listed and the rules of the stock exchange, complete the necessary reporting, announcements, or filings.

When issuing the notice of the Shareholders' meeting and the announcement of the resolution of the Shareholders' meeting, the Audit Committee or the convening shareholders shall submit relevant supporting materials to the stock exchange in accordance with the provisions of the securities regulatory rules of the place where the Company's Shares are listed and the rules of the stock exchange.

Before the announcement of the resolution of the Shareholders' meeting, the shareholding of the convening shareholders shall not be less than 10%.

For the Shareholders' meeting convened by the Audit Committee or the shareholders on their own, the Board and the secretary of the Board shall co-operate. The Board shall provide the register of members as of the record date.

For the Shareholders' meeting convened by the Audit Committee or the Shareholders on their own, the necessary expenses for the meeting shall be borne by the Company.

PROPOSALS AND NOTICES OF THE SHAREHOLDERS' MEETING

The content of a proposal shall fall within the scope of authority of the Shareholders' meeting, have clear topics and specific resolution matters, and comply with the relevant provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

When the Company convenes a Shareholders' meeting, the Board, the Audit Committee and Shareholders individually or jointly holding more than 1% of the Company's Shares shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding more than 1% of the Company's Shares may put forward a temporary proposal and submit it in writing to the convener ten days before the convening of the Shareholders' meeting. The convener shall issue a supplementary notice of the Shareholders' meeting within two days after receiving the proposal, announce the content of the temporary proposal, and submit the temporary proposal to the Shareholders' meeting for deliberation, unless the proposal violates the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association, or does not fall within the scope of authority of the Shareholders' meeting. If, in accordance with the securities regulatory rules of the place where the Company's Shares are listed, the Shareholders' meeting needs to be postponed due to the publication of the supplementary notice of the Shareholders' meeting, the holding of the Shareholders' meeting shall be postponed as required by the securities regulatory rules of the place where the Company's Shares are listed.

Except as otherwise provided in the preceding paragraph, after issuing the notice of the Shareholders' meeting, the convener shall not modify the proposals listed in the notice of the Shareholders' meeting or add new proposals.

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Proposals not listed in the notice of the Shareholders' meeting or not meeting the requirements of the Articles of Association shall not be voted on and resolved at the Shareholders' meeting.

The convener shall notify all Shareholders by announcement twenty days prior to the convening of the annual Shareholders' meeting or within the time required by the place where the Company's Shares are listed (whichever is earlier), and fifteen days prior to the convening of the extraordinary Shareholders' meeting. If laws, regulations, and the securities regulatory authority of the place where the Company's Shares are listed stipulate otherwise, such provisions shall prevail.

The date of the meeting shall not be included when calculating the starting period.

The notice of the Shareholders' meeting shall include the following contents:

- (I) the time, place, and duration of the meeting;
- (II) the matters and proposals to be submitted to the meeting for deliberation;
- (III) a clear written statement that all Shareholders shall have the right to attend the Shareholders' meeting and may appoint a proxy in writing to attend the meeting and vote, and such proxy need not to be a Shareholder of the Company;
- (IV) the record date for determining Shareholders who are entitled to attend the Shareholders' meeting;
- (V) the name and telephone number of the standing contact person for the meeting;
- (VI) the voting time and voting procedures via the Internet or other means.

The notice and supplementary notice of the Shareholders' meeting shall fully and completely disclose details of all proposals.

The start time for online or other means of voting at the Shareholders' meeting shall not be earlier than 3:00 p.m. on the day before the on-site Shareholders' meeting, and shall not be later than 9:30 a.m. on the date of the on-site Shareholders' meeting. The conclusion time shall not be earlier than 3:00 p.m. on the day when the on-site Shareholders' meeting concludes.

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

After the notice of the Shareholders' meeting is issued, without justifiable reasons, the Shareholders' meeting shall not be postponed or canceled, and the proposals listed in the notice of the Shareholders' meeting shall not be canceled. In case of postponement or cancellation, the convener shall make an announcement and explain at least two working days before the original date of convening. If the securities regulatory rules of the place where the Company's Shares are listed have special provisions on the procedures for postponing or cancelling the Shareholders' meeting, such provisions shall prevail on the premise of not violating domestic regulatory requirements.

HOLDING OF THE SHAREHOLDERS' MEETING

All shareholders or their proxies registered on the record date are entitled to attend the Shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

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Shareholders may attend the Shareholders’ meeting in person or appoint a proxy to attend and vote on their behalf.

If the Shareholders’ meeting requires Directors and senior management personnel to attend the meeting as non-voting delegates, such Directors and senior management personnel shall attend the meeting and accept inquiries from Shareholders.

The Shareholders’ meeting shall be presided over by the chairman of the Board. When the chairman of the Board is unable to or fails to perform his or her duties, the vice chairman of the Board shall preside over the meeting. When the vice chairman of the Board is unable to or fails to perform his or her duties, a director jointly elected by more than half of the Directors shall preside over the meeting.

The Shareholders’ meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable to or fails to perform his or her duties, an Audit Committee member jointly elected by more than half of the Audit Committee members shall preside over the meeting.

The Shareholders’ meeting convened by Shareholders on their own shall be presided over by the convener or the representative elected by the convener.

In a Shareholders’ meeting, if the chairman of the meeting violates the rules of procedure, making the Shareholders’ meeting impossible to proceed, with the consent of shareholders representing more than half of the voting rights present at the Shareholders’ meeting, the Shareholders’ meeting may elect one person to serve as the chairman of the meeting and continue the meeting.

The Company shall formulate rules of procedure for the Shareholders’ meeting, which shall specify in detail the procedures for convening, holding and voting at the Shareholders’ meeting, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, announcements, etc., as well as the principles of delegating powers to the Board by the Shareholders’ meeting. The authorization shall be clear and specific. The rules of procedure for the Shareholders’ meeting shall be formulated by the Board and approved by the Shareholders’ meeting as an appendix to the Articles.

VOTING AT AND RESOLUTIONS OF THE SHAREHOLDERS’ MEETING

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

An ordinary resolution of the Shareholders’ meeting shall be adopted by more than half of the voting rights held by the Shareholders (including their proxies) present at the Shareholders’ meeting.

A special resolution of the Shareholders’ meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including their proxies) present at the Shareholders’ meeting.

In accordance with applicable laws, regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a resolution, or if any shareholder is restricted to only vote for (or against) a resolution, the votes cast by such shareholder or its proxy in violation of such regulations or restrictions shall not be included in the total number of voting Shares.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The following matters shall be approved by an ordinary resolution of the Shareholders' meeting:

- (I) the work report of the Board;
- (II) the profit distribution plan and loss recovery plan formulated by the Board;
- (III) the appointment and removal of members of the Board, and their remuneration and payment methods;
- (IV) other matters other than those to be approved by a special resolution as stipulated by the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association.

The following matters shall be approved by a special resolution of the Shareholders' meeting:

- (I) the increase or decrease of the Company's registered capital;
- (II) the division, spin-off, merger, dissolution and liquidation of the Company;
- (III) amendments to the Articles of Association;
- (IV) the purchase or sale of major assets or provision of guarantees by the Company within a year for an amount exceeding 30% of the Company's latest audited total assets;
- (V) equity incentive plans;
- (VI) other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association, and those determined by ordinary resolutions of the Shareholders' meeting that will have a significant impact on the Company and need to be approved by special resolutions.

Shareholders (including proxies) shall exercise their voting rights in accordance with the number of voting Shares they represent, with each share carrying one vote, unless individual Shareholders are required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's Shares are listed. When voting, Shareholders (including proxies) with two or more votes are not required to cast all their votes in the same way of pros, cons or abstention.

When the Shareholders' meeting deliberates on major matters that affect the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate vote counting shall be promptly disclosed to the public.

The Company's Shares held by the Company do not carry voting rights, and such Shares are not included in the total number of voting Shares represented by shareholders attending the Shareholders' meeting.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

A Shareholder who purchases the Company’s voting Shares in violation of the provisions of Paragraphs 1 and 2 of Article 63 of the Securities Law shall not exercise voting rights of the Shares exceeding the specified proportion within 36 months after the purchase and such Shares shall not be included in the total number of voting Shares represented by Shareholders attending the Shareholders’ meeting. In accordance with applicable laws, regulations, and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a resolution or is restricted to voting only for (or against) a resolution, the votes cast by such Shareholder or its proxy in violation of such provisions or restrictions shall not be counted.

The Company’s Board, independent Directors, Shareholders holding more than 1% of the voting Shares, or investor protection institutions established in accordance with laws, administrative regulations or the regulations of the CSRC may publicly solicit Shareholders’ voting rights. When soliciting Shareholders’ voting rights, specific voting intentions and other information shall be fully disclosed to the solicited person. It is prohibited to solicit Shareholders’ voting rights in a paid or disguised paid manner. Except for statutory conditions, the Company shall not impose any minimum shareholding requirement on the solicitation of voting rights.

When the Shareholders’ meeting deliberates on connected transactions, connected Shareholders shall not participate in the voting, and the number of voting Shares they represent shall not be included in the total number of valid votes. The announcement of the resolution of the Shareholders’ meeting shall fully disclose the voting situation of non-connected Shareholders.

Before the Shareholders’ meeting deliberates on connected transactions, connected Shareholders should proactively explain the nature of such relationship to the Shareholders’ meeting and abstain from voting failing which, other Shareholders may request such Shareholder to explain the same and abstain from voting. The convener shall investigate whether such Shareholder is a connected Shareholder and determine whether such Shareholder should abstain from voting in accordance with relevant provisions. When the convener cannot determine whether the Shareholder requested to abstain from voting should abstain, or when relevant Shareholders have objections regarding whether the Shareholder requested to abstain from voting should abstain, the decision shall be made by a majority vote of the voting rights held by the Shareholders (including proxies) present at the Shareholders’ meeting. If a connected Shareholder fails to apply for abstention voluntarily, other Shareholders or proxies attending the Shareholders’ meeting shall have the right to request the abstention of connected Shareholder. If other Shareholders or proxies make such request and the requested Shareholder believes that he does not fall within the scope of abstention, the chairman of the Shareholders’ meeting shall consult with the attending Directors and relevant Shareholders and decide on whether abstention is required.

Connected Shareholders who should abstain from voting may participate in the deliberation of connected transactions involving themselves and explain and clarify to the Shareholders’ meeting whether such connected transactions are fair and legal and the reasons for their occurrence. However, such Shareholders shall have no right to participate in the voting on such matters.

If a connected Shareholder cannot abstain from voting under special circumstances, the Company may proceed with the voting in the normal procedures after obtaining the consent of the securities regulatory authority where the Company’s Shares are listed and explain in details in the resolution of the Shareholders’ meeting.

After the Shareholders’ meeting, if any Shareholder finds that a connected Shareholder has participated in the voting on a connected transaction, or has an objection over the application of the abstention, such Shareholder shall have the right to file a lawsuit with the people’s court regarding the relevant resolution in accordance with the relevant provisions of the Articles of Association.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

DIRECTORS AND THE BOARD

General Provisions on Directors

The Directors of the Company may also include executive Directors, non-executive Directors, and independent Directors. Non-executive Director refer to a Director who does not hold positions in the operation and management of the Company. The Directors of the Company shall be natural persons. The Directors shall possess the qualifications for appointment as required by laws, administrative rules and regulations, and the securities regulatory rules of the place where the Shares of the Company are listed. A person shall not be able to serve as Director of the Company under any of the following circumstances:

- (I) any person without capacity or with limited capacity for civil acts;
- (II) any person who was sentenced for corruption, bribery, encroachment or embezzlement of properties or disruption of the socialist market economic order, or any person who was deprived of political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in the case of a suspended sentence, where less than two years have passed since the end of the period of suspended sentence;
- (III) directors, factory heads or managers who assume individual responsibility for the bankruptcy or liquidation of their companies or enterprises where three years have not lapsed following the date of completion of such bankruptcy or liquidation;
- (IV) the legal representatives of companies or enterprises that had their business licenses revoked and ordered to be closed for violation of the law, where such representatives assume individual responsibility and three years have not lapsed following the date of revocation of such business licenses or the companies or enterprises being ordered to be closed;
- (V) any person with relatively significant individual debt(s) that has/have not been settled upon maturity and has been listed by the people's court as a judgment defaulter subject to enforcement;
- (VI) any person who has been banned from the securities market by the CSRC, other competent regulatory authorities, or the stock exchange where the relevant period remains unexpired;
- (VII) any person who has been publicly determined by the stock exchanges as not suitable to serve as a director or a senior manager of a listed company and the time limit has not expired;
- (VIII) any other circumstances stipulated by laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the Shares of the Company are listed.

If a Director is elected or appointed in violation of the provisions of this article, such election, appointment or employment shall be null and void. The Company shall remove a Director from his/her position and terminate his/her duties if any of the circumstances set out in this article occurs during his/her term of office.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Directors shall be elected or replaced at a Shareholders' meeting and may be removed from their positions at a Shareholders' meeting before the expiration of their terms of office. Each term of office of a Director shall be three years, upon the expiration of which the Director may be re-elected and re-appointed for a consecutive term, provided that it does not violate laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Shares of the Company are listed.

The term of office of a Director shall be calculated from the date of his/her assumption of office until the expiration of the term of the current Board. If a Director is not re-elected in a timely manner upon the expiration of his/her term of office, the original Director shall continue to perform his/her duties as a Director in accordance with laws, administrative regulations, departmental rules, and the Articles of Association before the newly-elected Director assumes office.

The Company shall have one employee representative serving as Director. The employee representative in the Board shall be elected by the employees of the Company at an employee representative meeting, for which no further consideration by a Shareholders' meeting is required.

A Director may concurrently serve as a senior management, provided that the aggregate number of Directors who concurrently serve as senior management and Directors who are employee representatives shall not exceed one half of all Directors of the Company.

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

Directors shall abide by the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association. They shall assume duty of loyalty to the Company, take measures to avoid any conflicts between the interests of their own and those of the Company, and shall not seek improper benefits by abusing their powers.

A Director shall assume the following duty of loyalty to the Company:

- (I) shall not misappropriate the property of the Company or embezzle the funds of the Company;
- (II) shall not deposit the funds of the Company in an account opened under his/her own name or under the name of any other individual;
- (III) shall not engage in bribery or accept other illegal income by taking advantage of his/her position;
- (IV) shall not enter into contracts or conduct transactions directly or indirectly with the Company without reporting to the Board or a Shareholders' meeting and obtaining the approval by the Board or by a resolution at the Shareholders' meeting in accordance with the Articles of Association;
- (V) shall not, by taking advantage of his/her position, pursue business opportunities that belong to the Company for their own account or for the account of any other person, except when such business opportunities cannot be used after being reported to the Board or a Shareholders' meeting and approved by a resolution of the Shareholders' meeting as such, or as a result of the incapacity of Company in accordance with the provisions of the laws, administrative regulations, or the Articles of Association;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (VI) shall not engage in any businesses of the same kind as those of the Company either for their own account or for the account of any other person without reporting to the Board or a Shareholders' meeting and obtaining approval by a resolution of the Shareholders' meeting;
- (VII) shall not accept and possess commissions paid by others for transactions conducted with the Company as their own;
- (VIII) shall not disclose the confidential information of the Company without authorization;
- (IX) shall not use his/her connected relationship to damage the interests of the Company;
- (X) other duty of loyalty stipulated by laws, administrative regulations, departmental rules, and the Articles of Association.

Any income obtained by a Director in violation of the provisions of this article shall belong to the Company. If any resulting losses are caused to the Company, the Director shall be liable for compensation.

For contracts or transactions entered into between the Company and the close relatives of Directors and senior management, enterprises directly or indirectly controlled by Directors, senior management, or their close relatives, and connected parties who have other connected relationships with Directors and senior management, the provisions of item (IV) of the second paragraph above shall apply.

Directors shall abide by the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association. They shall have the duty of diligence to the Company and exercise the reasonable care normally expected of a manager in the best interests of the Company in the performance of their duties.

Directors shall have the following duty of diligence to the Company:

- (I) shall exercise the rights granted to them by the Company with prudence, earnestness, and diligence to ensure that the business conducts of the Company comply with national laws, administrative regulations, and various national economic policies, and that its business activities are not conducted beyond the scope of business activities stipulated in the business license;
- (II) shall treat all Shareholders fairly;
- (III) shall timely keep abreast of the business operation and management of the Company;
- (IV) shall sign a written confirmation in respect of the regular reports of the Company, ensuring the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (V) shall truthfully provide relevant information and materials to the Audit Committee and shall not obstruct the exercise by the Audit Committee of its powers;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (VI) other duty of diligence as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association.

The Company has established the Director resignation management system to clarify the safeguard measures for accountability and compensation for unfulfilled public commitments and other unaccomplished matters. When the resignation of a Director takes effect or his/her term of office expires, the Director shall complete all handover procedures with the Board. The duty of loyalty of a Director to the Company and Shareholders will not automatically terminate after the expiry of his/her term of office but remains valid for a reasonable period as stipulated in the Articles of Association. The responsibilities assumed by a Director as a result of his/her performance of duties during his/her term of office shall not be relieved or terminated upon his/her resignation.

If a Director causes damage to other individuals while performing his/her duties for the Company, the Company shall be liable for compensation; if the Director has intentional misconduct or gross negligence, he/she shall also be liable for compensation.

If a Director violates the provisions of the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Shares of the Company are listed or the Articles of Association while performing his/her duties for the Company, and causes losses to the Company, he/she shall be liable for compensation.

Board

The Company shall have a Board, which consists of 9 Directors, including 1 employee Director and 3 independent Directors. The Board shall have a chairman and a vice chairman. The chairman and the vice chairman shall be elected by the Board with a majority vote of all Directors.

The Board shall exercise the following powers:

- (I) to convene a Shareholders' meeting and report work to the Shareholders' meeting;
- (II) to implement the resolution of the Shareholders' meeting;
- (III) to determine the operation plan and investment plan of the Company;
- (IV) to formulate the profit distribution plan and loss recovery compensation plan of the Company;
- (V) to formulate proposals for the increase or decrease of the registered capital of the Company, the issuance of bonds or other securities and the listing of the Company;
- (VI) to develop plans for substantial acquisition, repurchase of Shares, or merger, division, dissolution and change of company form of the Company;
- (VII) to decide on matters such as the external investments, acquisition and disposal of assets, pledge of assets, external guarantees, entrusted wealth management, related-party transactions and external donations of the Company in accordance with the provisions of the Articles of Association or within the scope of authorization granted by the Shareholders' meeting;
- (VIII) to decide on the establishment of the internal management organ of the Company;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (IX) to decide on the appointment or dismissal of the general manager, Board secretary, and other senior management of the Company, as well as matters regarding their remuneration, rewards and punishments; to decide on the appointment or dismissal of senior management such as the deputy general manager and financial officer of the Company upon the nomination of the general manager, as well as matters regarding their remuneration, rewards and punishments;
- (X) to formulate the basic management system of the Company;
- (XI) to formulate proposals for the amendments to the Articles of Association;
- (XII) to manage the information disclosures of the Company;
- (XIII) to propose at the Shareholders' meeting on the engagement or replacement of the accounting firm for the audit of the Company;
- (XIV) to listen to the work report from the general manager of the Company and inspect the work of the general manager;
- (XV) other powers conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Shares of the Company are listed or the Articles of Association.

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

The chairman shall exercise the following powers:

- (I) to preside over a Shareholders' meeting and convene and preside over a Board meeting;
- (II) to supervise and inspect the implementation of resolution of the Board;
- (III) other powers granted by the Board.

The vice chairman of the Company shall assist the chairman in work. If the chairman is unable or fails to perform his/her duties, the vice chairman shall perform the duties; if the vice chairman is unable or fails to perform his/her duties, a Director jointly recommended by a majority of Directors shall perform the duties.

The Board shall hold at least four meetings each year, approximately a meeting every quarter. The meetings shall be convened by the chairman with a notice of 14 days in writing to all Directors before the meeting.

Shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors or the Audit Committee may propose to convene an extraordinary meeting of the Board. The chairman shall convene and preside over a Board meeting within 10 days upon receipt of the proposal.

A Board meeting shall be held only when a majority of Directors are present. Resolutions of the Board must be passed by a majority of all Directors. Where otherwise provided in the Articles of Association and relevant laws and regulations, such provisions shall prevail.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Voting on resolutions of the Board shall be carried out on a one-vote per Share basis.

If a Director is connected to the enterprise or individual involved in the resolution of a Board meeting, the Director shall promptly report it in writing to the Board. The connected Director shall not exercise the right to vote on such resolution, nor shall he/she exercise the right to vote on behalf of another Director. A Board meeting may be convened when a majority of the non-connected Directors are present, and the resolutions made at the Board meeting must be passed upon approval of a majority of the non-connected Directors. If the number of non-connected Directors present at the Board meeting is less than three, the matter shall be submitted to a Shareholders’ meeting for consideration.

Independent Directors

As members of the Board, independent Directors assume duty of loyalty and duty of diligence to the Company and all Shareholders, and shall prudently perform the following duties:

- (I) to participate in the decision-making of the Board and express clear opinions on the matters discussed;
- (II) to supervise matters involving potential major conflicts of interest between the Company and its Controlling Shareholders, actual controllers, Directors and senior management, and protect the legitimate rights and interests of minority Shareholders;
- (III) to provide professional and objective recommendations on the operation and development of the Company to improve the decision-making level of the Board;
- (IV) other duties stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association.

Independent Directors shall exercise the following special powers:

- (I) to independently engage intermediary institutions to audit, consult on, or investigate specific matters of the Company;
- (II) to propose to the Board to convene an extraordinary Shareholders’ meeting;
- (III) to propose to convene a Board meeting;
- (IV) to solicit Shareholders’ rights publicly from Shareholders in accordance with law;
- (V) to express independent opinions on matters that may prejudice the rights and interests of the Company or minority Shareholders;
- (VI) other powers stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association.

The exercise of the powers listed in aforementioned items I to III by an independent Director shall be subject to the approval by a majority of all independent Directors.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The following matters shall be submitted to the Board for consideration after being approved by a majority of all independent Directors of the Company:

- (I) discloseable and connected transactions;
- (II) plans on the change or exemption of commitments made by the Company and relevant parties;
- (III) decisions made and measures taken by the Board of the listed company to be acquired in response to the acquisition;
- (IV) other matters stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Shares of the Company are listed and the Articles of Association.

The Company shall establish a mechanism for special meetings attended exclusively by independent Directors. Matters such as connected transactions to be considered by the Board shall obtain prior approval at a special meeting of independent Directors.

The Company shall convene special meetings of independent Directors on a regular or ad-hoc basis. Matters specified in items (I) to (III) of paragraph 1 of Article 131 and Article 132 of the Articles of Association shall be considered at a special meeting of independent Directors.

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

A special meeting of independent Directors shall be convened and presided over by an independent Director jointly recommended by a majority of independent Directors; when the convener fails or is unable to perform his/her duties, two or more independent Directors may convene the meeting on their own and recommend a representative to preside over the meeting.

The special meeting of independent Directors shall prepare a meeting minutes as required, and the opinions of independent Directors shall be recorded in the meeting minutes. Independent Directors shall sign to confirm the meeting minutes.

The Company shall provide convenience and support for the convening of the special meetings of independent Directors.

Special Committees of the Board

The Board shall establish an Audit Committee to exercise the powers and functions of the board of supervisors stipulated in the Company Law.

The Board of the Company shall establish the Remuneration and Appraisal Committee, the Nomination Committee, the Strategy and ESG Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board. The proposals of the special committees shall be submitted to the Board for consideration and decision. The rules of procedure of the special committees shall be formulated by the Board. Such committees shall have an odd number of members, which is not less than three. The majority of the members of the Nomination Committee and the Remuneration and Appraisal Committee shall be independent Directors, and the convener shall be an independent Director. The chairman of the Board shall serve as the convener of the Strategy and ESG Committee.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Senior Management

The Company shall have one general manager, one chief financial officer, and one Board secretary, whose appointment or dismissal shall be decided by the Board.

The Company may have several deputy general managers, whose appointment and dismissal shall be decided by the Board.

The general manager, deputy general managers, the chief financial officer and the Board secretary of the Company are the senior management of the Company.

The general manager shall be liable to the Board and exercise the following powers and functions:

- (I) to preside over the production, operation and management of the Company, to organize the implementation of the resolutions of the Board, and to report his/her work to the Board;
- (II) to organize the implementation of the annual business plans and investment proposals of the Company;
- (III) to prepare the proposal on the setup of the Company's internal management structure;
- (IV) to formulate the Company's basic management system;
- (V) to develop the specific rules for the Company;
- (VI) to request the Board to appoint or dismiss the senior management such as the deputy general managers and the chief financial officer of the Company;
- (VII) to decide on the appointment or dismissal of management personnel other than those who should be appointed or dismissed by the Board;
- (VIII) other functions and powers granted by the securities regulatory rules of the place where Shares of the Company are listed, the Articles of Association or the Board.

The general manager shall attend the meetings of the Board.

The general manager shall formulate working rules of the general manager, which shall come into force after being approved by the Board.

The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all Shareholders. If the senior management of the Company fails to perform their duties faithfully or violates the fiduciary duty, causing damage to the interests of the Company and the public Shareholders, they shall be liable for compensation in accordance with the laws.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting System

The Company establishes its financial and accounting system according to the laws, administrative regulations and the requirements of the relevant governmental authorities.

Disclosure of regular reports of A Shares: The Company shall submit and disclose its annual reports to the local offices of the CSRC and the stock exchange within 4 months after the end of each fiscal year, and submit and disclose its interim reports to the local offices of the CSRC and the stock exchanges within 2 months after the end of the first half of each fiscal year.

Disclosure of regular reports of H Shares: The regular reports of H Shares of the Company include annual reports and interim reports. The Company shall disclose a preliminary announcement of its annual results within three months after the end of each financial year, and prepare and disclose its annual report within four months after the end of each financial year and at least 21 days before the date of the annual general meeting. The Company shall disclose a preliminary announcement of its interim results within two months after the end of the first six months of each financial year, and prepare and disclose its interim report within three months after the end of the first six months of each financial year.

The above financial and accounting reports, annual reports, annual results, interim reports and interim results shall be prepared in accordance with the requirements of relevant laws, administrative regulations, the CSRC and the securities regulatory rules of the place where the Shares of the Company are listed.

The Company shall have no other accounting books except the statutory accounting books. Its funds shall not be deposited in any accounts opened in the name of any individual.

When the Company distributes the after-tax profits of the current year, it shall appropriate 10% of the profits to its statutory reserve fund. The Company may cease the appropriation to such statutory reserve fund if the cumulative amount has exceeded 50% of the Company’s registered capital.

Where the statutory reserve fund of the Company is insufficient to recover its losses in the previous years, the profits of the current year shall be used to make up for the losses before being appropriated to the statutory reserve fund in accordance with the above provisions.

After the Company appropriates the profits after tax to the statutory reserve fund, it may appropriate further to the discretionary reserve from the profits after tax with the resolution of the Shareholders’ meeting.

The Company may distribute the profits after tax according to the proportion of shareholdings after making up for losses and appropriating to the statutory reserve fund.

If the Shareholders’ meeting distributes profits to Shareholders in violation of the Company Law, the Shareholders shall return the profits distributed in violation of the provisions to the Company; if losses are caused to the Company, the Shareholders and the responsible Directors and senior management shall be liable for compensation.

The Company’s Shares held by the Company shall not participate in the distribution of profits.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The Company shall appoint one or more receiving agents in Hong Kong for H Shareholders. The receiving agents shall receive and safekeep the dividends distributed and other amounts payable by the Company in respect of the H Shares on behalf of the relevant H Shareholders before payment is made to such H Shareholders. The receiving agents appointed by the Company shall meet the requirements of laws, regulations and the securities regulatory rules of the place where the Shares of the Company are listed.

The Company’s reserves may be used to make up for the Company’s losses, expand the Company’s production and operations or be converted to increase the Company’s registered capital.

When making up for the Company’s losses with reserves, the discretionary reserve and statutory reserve fund should be used first; if it is still insufficient, the capital reserve can be used in accordance with relevant provisions.

When the statutory reserve fund is converted to increase the registered capital, the amount of such reserve fund retained shall be no less than 25% of the Company’s registered capital before the conversion.

The Company may distribute dividends in the form of cash, Shares, a combination of cash and Shares or other means permitted by laws. Cash dividends shall take precedence over the Share dividends. If the conditions for cash dividends are met, cash dividends shall be given priority for profit distribution.

Internal Audit

The Company implements an internal audit system, which shall specify the leadership structure, responsibilities and authorities, staffing, funding guarantee, utilization of audit results, and accountability mechanisms for internal audit work.

The Company’s internal audit system shall be implemented after being approved by the Board and disclosed to the public.

The internal audit department of the Company shall supervise and inspect the Company’s business activities, risk management, internal control, financial information and other matters.

The internal audit department shall be responsible to the Board.

During the process of supervision and inspection of the Company’s business activities, risk management, internal control and financial information, the internal audit department shall accept the supervision and guidance of the Audit Committee. If the internal audit department discovers relevant major issues or clues, it shall immediately report directly to the Audit Committee.

Engagement of an Accounting Firm

The Company shall engage an accounting firm that complies with the provisions of the Securities Law and the securities regulatory rules of the place where the Shares of the Company are listed to conduct accounting statement auditing, net asset verification and other related consulting services. The term of engagement is 1 year and can be renewed.

The engagement and dismissal of an accounting firm shall be decided by the Shareholders’ meeting, and the Board shall not appoint an accounting firm before the decision of the Shareholders’ meeting.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The Company guarantees to provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting data to the accounting firm it engages, without any refusal, withholding or misrepresentation.

The audit fees of the accounting firm shall be determined by the Shareholders’ meeting.

In the event of dismissal or termination of the renewal of the accounting firm, the Company shall notify the accounting firm 15 days in advance. The accounting firm should be allowed to make representations when the Shareholders’ meeting of the Company conducts a vote on the dismissal of the accounting firm.

If an accounting firm proposes to resign, it shall explain to the Shareholders’ meeting whether there is any misconduct in the Company.

NOTICES AND ANNOUNCEMENTS

Notices

The Company’s notices shall be issued by the following means:

- (I) by hands;
- (II) by mail, fax, or email;
- (III) by announcement;
- (IV) other means recognized by laws, administrative regulations, rules, relevant regulatory authorities of the place where the Shares of the Company are listed, or stipulated in the Articles of Association.

The notice of convening the Shareholders’ meeting of the Company shall be given at least by way of announcement or other means recognized by the stock exchange where the Shares of the Company are listed (in case of other means, it shall not be earlier than the time of the announcement).

The notice of convening the Board meeting of the Company shall be given by hand, through communication means (telephone, fax, letter, email) or in writing.

Announcements

The Company shall regard the disclosure media designated by the CSRC, the website of the Shenzhen Stock Exchange and the website of the Hong Kong Stock Exchange as the designated media for the Company to publish its announcements and other discloseable information.

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

Merger, Division, Capital Increase and Reduction

The Company may effect a merger by way of absorption or new establishment.

A company absorbing other companies is a merger by adsorption, and the absorbed companies shall be dissolved. The merger of two or more companies to establish a new company is a merger by new establishment, and the merging parties shall be dissolved.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

If the consideration paid by the Company for a merger does not exceed 10% of the Company’s net assets, it may not be subject to a resolution of the Shareholders’ meeting, unless otherwise provided in the Articles of Association.

Where the merger of the Company pursuant to the preceding paragraph is not subject to a resolution of the Shareholders’ meeting, it shall be subject to a resolution of the Board of Directors.

In the case of a merger, a merger agreement shall be signed by all parties, and the balance sheet and inventory list shall be prepared. The Company shall notify its creditors within 10 days since the date of making the merger resolution and make an announcement on the disclosure media designated by the Company or the National Enterprise Credit Information Publicity System and the website of the Hong Kong Stock Exchange within 30 days. Creditors may, within 30 days since the date of receiving the notice, or, if not receiving the notice, within 45 days since the date of the announcement, request the Company to pay off its debts or provide corresponding guarantees.

If the Company merges, the credits and debts of the merging parties shall be assumed by the surviving company or the newly established company upon merging.

If the Company is to be divided, its property shall be divided accordingly.

In the case of a division, the balance sheet and inventory list shall be prepared. The Company shall notify its creditors within 10 days since the date of making the division resolution and make an announcement on the disclosure media designated by the Company or the National Enterprise Credit Information Publicity System and the website of the Hong Kong Stock Exchange within 30 days.

The debts of the Company which have accrued prior to the division shall be jointly borne by the divided companies, unless it is otherwise agreed by way of an agreement in writing with the creditors in respect of the settlement of debts before the Company’s division.

If the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory list.

The Company shall notify its creditors within 10 days since the date of making the resolution on reducing the registered capital by the Shareholders’ meeting and make an announcement on the disclosure media designated by the Company or the National Enterprise Credit Information Publicity System and the website of the Hong Kong Stock Exchange within 30 days. Creditors shall, within 30 days since the date of receiving the notice, or, if not receiving the notice, within 45 days since the date of the announcement, have the right to require the Company to pay off its debts or provide corresponding guarantees.

If the Company reduces its registered capital, it shall correspondingly reduce the amount of capital contributions or Shares in proportion to the Shares held by Shareholders, unless otherwise provided by laws or the Articles of Association.

If the Company still has losses after making up for its losses in accordance with the provisions of paragraph 2 of Article 159 of the Articles of Association, it may reduce its registered capital to make up for losses. If the registered capital is reduced to make up for losses, the Company shall not distribute to Shareholders, nor shall it exempt Shareholders from their obligations to pay the capital contributions or share payments.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Where the registered capital is reduced in violation of the Company Law and other relevant regulations, Shareholders shall return the funds they have received, and the reduction or exemption of capital contributions from Shareholders shall be restored to the original state; if losses are caused to the Company, Shareholders and the responsible Directors and the senior management shall be liable for compensation.

When the Company issues new shares to increase its registered capital, Shareholders shall have no pre-emptive rights, unless otherwise provided by the Articles of Association or decided by a resolution of the Shareholders' meeting.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (I) the business term stipulated in the Articles of Association expires or other events of dissolution stipulated in the Articles of Association occur;
- (II) the Shareholders' meeting makes a resolution to dissolve;
- (III) dissolution is required due to the merger or division of the Company;
- (IV) the business license is revoked, or the Company is ordered to close or is deregistered in accordance with the laws;
- (V) if the Company encounters serious difficulties in its operation and management, and its continued existence will cause significant losses to the interests of its Shareholders, which cannot be resolved through other means, Shareholders holding more than 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

In the event of dissolution of the Company as stipulated in the preceding paragraph, it shall announce such event of dissolution through the National Enterprise Credit Information Publicity System within 10 days.

Where the circumstances described in items (I) and (II) above and property is not yet distributed to Shareholders, the Company may carry on its existence by amending the Articles of Association or through a resolution of the Shareholders' meeting.

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

Where the Company is to be dissolved pursuant to the provisions of items (I), (II), (IV) and (V) above, it shall be liquidated. Directors are the liquidation obligors of the Company and shall establish a liquidation team within 15 days from the date when the events for dissolution occur to conduct liquidation.

The liquidation team shall be composed of Directors, unless otherwise provided in the Articles of Association or the Shareholders' meeting resolves to elect another person.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing losses to the Company or its creditors, they shall be liable for compensation.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

During the liquidation period, the liquidation team shall exercise the following powers and functions:

- (I) to dispose of the Company's property and prepare the balance sheet and inventory list, respectively;
- (II) to notify the creditors through notice or announcement;
- (III) to handle the outstanding business of the Company related to the liquidation;
- (IV) to settle all tax overdue and taxes incurred during the liquidation process;
- (V) to settle credits and debts;
- (VI) to distribute the remaining property of the Company after paying off its debts;
- (VII) to represent the Company in civil lawsuits.

The liquidation team shall notify the creditors within 10 days upon its establishment and make an announcement on the disclosure media designated by the Company or the National Enterprise Credit Information Publicity System and the Hong Kong Stock Exchange within 60 days. Creditors shall submit their claims to the liquidation team within 30 days from the date of receiving the notice, or, if not receiving the notice, within 45 days from the date of announcement.

A creditor shall state all matters related to his/her/its creditor rights in making his/her/its claims and furnish evidence. The liquidation team shall register such claims.

During the period of claim submission, the liquidation team shall not make settlements with the creditors.

Upon disposal of the Company's property and preparation of the balance sheet and inventory list, the liquidation team shall formulate a liquidation plan and submit it to the Shareholders' meeting or the people's court for verification.

After paying off the liquidation expenses, employees' salaries, social insurance contribution and statutory compensation, overdue taxes and the Company's debts, the remaining property of the Company shall be distributed to Shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue to exist, but shall not carry out business activities unrelated to the liquidation.

The Company's property shall not be distributed to Shareholders until it is settled pursuant to the provisions of the preceding paragraph.

Upon disposal of the Company's property and preparation of the balance sheet and inventory list, if the liquidation team finds that the Company's property is insufficient to pay off its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the laws.

After the people's court accepts the bankruptcy application, the liquidation team shall hand over the liquidation affairs to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation of the Company, the liquidation team shall prepare a liquidation report and submit it to the Shareholders' meeting or the people's court for verification, and file with the company registration authority for deregistration of the Company.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Members of the liquidation team shall perform their liquidation obligations with duties of loyalty and diligence.

Where a member of the liquidation team causes losses to the Company due to negligence in performing liquidation obligations, he/she shall be liable for compensation, or where the member causes losses to the creditors due to intent or gross negligence, he/she shall be liable for compensation.

Amendments to the Articles

The Company shall amend the Articles under any of the following circumstances:

- (I) after amendments are made to the Company Law or relevant laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles contradict with the provisions of the amended laws, administrative regulations or securities regulatory rules of the place where the Company's shares are listed;
- (II) the Company's situation changes and is inconsistent with the matters recorded in the Articles;
- (III) the Shareholders' meeting decides to amend the Articles.

If the amendments to the Articles passed by the resolution of the Shareholders' meeting are subject to the approval of the competent authorities, they shall be reported to the competent authorities for approval; if matters relate to company registration, registration of the changes shall be made in accordance with the laws.

The Board of Directors shall amend the Articles of Association in accordance with the resolution of the Shareholders' meeting on the amendments to the Articles and the approval opinions of the relevant competent authorities.

Where the amendments to the Articles are information required to be disclosed by laws and regulations, such amendments shall be announced as required.