
APPENDIX III

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix is primarily intended to provide [REDACTED] with a summary of the Articles of Association. The following information is only a summary and may not include all materials that may be important to potential [REDACTED].

SHARES AND REGISTERED CAPITAL

Shares of the Company shall be in the form of share certificates and shall be registered shares.

For the issue of shares, the Company adopts the principles of publicity, fairness and impartiality, with each share of the same class having the same rights.

For shares of the same class issued at the same time, the conditions of issuance and the price per share shall be the same; any unit or individual that subscribes for shares shall pay the same price per share.

INCREASE OR DECREASE, REPURCHASE AND TRANSFER OF SHARES

Increase or Decrease of Shares

Based on the needs of operation and development, the Company may, in accordance with the provisions of laws and administrative regulations, and upon resolutions passed separately by the shareholders’ meeting, increase its capital by the following means:

- (I) issuing shares to unspecified objects;
- (II) issuing shares to specific objects;
- (III) allotting bonus shares to its existing shareholders;
- (IV) converting capital reserve into share capital;
- (V) other methods as stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company’s shares are listed, and provisions of the China Securities Regulatory Commission (CSRC), and approved by the Hong Kong Stock Exchange.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures stipulated by the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “**Hong Kong Listing Rules**”), and other relevant regulations and the Articles of Association.

Repurchase of Shares

The Company shall not repurchase its own shares. However, subject to and in compliance with the provisions of laws, administrative regulations and the securities regulatory rules of the place where the Company’s shares are listed, the Company may repurchase its own shares under any of the following circumstances:

- (I) reducing the registered capital of the Company;
- (II) merging with another company that holds shares in the Company;
- (III) using shares for employee stock ownership plans or as shareholding incentives;
- (IV) acquiring shares held by shareholders (upon their request) who vote against any resolution proposed at any shareholders’ meeting on the merger or division of the Company;

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- (V) using shares to convert the corporate bonds issued by the Company that are convertible to stocks;
- (VI) serving as a necessity for the Company to protect its value and shareholders’ interests;
- (VII) other circumstances as stipulated by laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, and other regulatory rules of the place where the Company’s shares are listed.

The Company may repurchase its own shares through open centralized trading, or other methods stipulated by laws, administrative regulations, and securities regulatory rules of the place where the Company’s shares are listed, and recognized by the CSRC and the Hong Kong Stock Exchange.

Subject to compliance with the applicable securities regulatory rules of the place where the Company’s shares are listed, where the Company repurchases its own shares under the circumstances stipulated in items (III), (V) and (VI) of paragraph 1 of Article 25 of the Articles of Association, it shall adopt the open centralized trading method.

Where the Company repurchases its own shares under the circumstances stipulated in items (I) and (II) of paragraph 1 of Article 25 of the Articles of Association, it shall be subject to a resolution by the shareholders’ meeting; where the Company repurchases its own shares under the circumstances stipulated in items (III), (V) and (VI) of paragraph 1 of Article 25 of the Articles of Association, it shall be subject to a resolution passed by a Board meeting attended by more than two-thirds of the directors, provided that the applicable securities regulatory rules of the place where the Company’s shares are listed are complied with.

After the Company repurchases its own shares in accordance with the provisions of Article 25, provided that the applicable securities regulatory rules of the place where the Company’s shares are listed, such shares shall be canceled within 10 days from the date of repurchase if it falls under the circumstances specified in item (I), or be transferred or canceled within six months if it falls under the circumstances specified in items (II) or (IV), or be transferred or canceled within three years if it falls under the circumstances specified in items (III), (V) and (VI), and the total number of the Company’s shares held by the Company does not exceed 10% of the total issued shares of the Company.

Transfer of Shares

The Company’s shares may be transferred according to law, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and Articles of Association. Shares that have been issued prior to the Company’s [REDACTED] shall not be transferred within one year after the date when the Company’s shares are [REDACTED].

The Company’s directors and senior management members shall report to the Company their holdings of shares in the Company and any changes thereto; the shares they transfer each year during their tenure as determined at the time of taking the office shall not exceed 25% of the total shares of the same class held by them in the Company; and the shares of the Company held by the aforesaid persons shall not be transferred within six months after their resignation.

If laws, administrative regulations, CRSC, the Hong Kong Listing Rules, or other regulatory rules of the place where the Company’s shares are listed have other provisions regarding restrictions on the transfer of the Company’s shares, such provisions shall prevail.

If a director or senior management member of the Company, or a shareholder holding more than 5% of the Company’s shares sells the shares of the Company held by them or other securities with an equity nature within six months after purchase, or purchases such shares or securities within six months after sale, any profit obtained therefrom shall belong to the Company, and the Board of Directors of the

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Company shall recover such profit, unless a securities Company holds more than 5% of the shares as a result of purchasing the remaining unsold shares underwritten by it or under any other circumstances prescribed by the CSRC and the Hong Kong Listing Rules.

The shares or other equity-like securities held by the directors, senior management members and natural person shareholders mentioned in the preceding paragraph include those held by their spouses, parents, children and those held through accounts of other persons.

If the Board of Directors of the Company does not observe the provision in paragraph 1 of this article, the shareholders have the right to require the Board of Directors to execute the provision within 30 days. If the Board fails to execute the provision within the aforesaid period, the shareholders have the right to directly file a lawsuit with the people’s court in their own names for the interests of the Company.

If the Board of Directors of the Company fails to observe the provision in the first paragraph of this article, the responsible directors shall bear joint liability according to law.

SHAREHOLDERS AND SHAREHOLDERS’ MEETINGS

General Rules for Shareholders’ Meetings

The Company shall keep a register of shareholders according to the vouchers provided by the securities depository and clearing institution, which register bears adequate evidence of shareholders holding shares of the Company. The Company shall enter into a share custody agreement with the securities registration institution, regularly inquire about the data of major shareholders and changes in their shareholdings (including share pledges), and closely monitor the Company’s shareholding structure.

The shareholders of the Company shall be entitled to the following rights:

- (I) to obtain dividends and other forms of profit distribution in proportion to the number of shares held;
- (II) to lawfully request, convene, preside over or attend shareholders’ meetings either in person or by proxy and exercise the corresponding right to speak and vote;
- (III) to supervise the Company’s business operations, propose recommendations or raise inquiries;
- (IV) to transfer, give as gift or pledge their shares in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association;
- (V) to inspect and copy the Articles of Association, register of shareholders, minutes of shareholders’ meetings, resolutions of Board meetings, and financial and accounting reports; shareholders who meet the relevant regulations may inspect the Company’s accounting books and accounting vouchers;
- (VI) in the event of termination or liquidation of the Company, to participate in the distribution of the Company’s remaining assets in proportion to the number of shares they held;
- (VII) with respect to a shareholder who votes against any resolution adopted at any shareholders’ meetings on the merger or division of the Company, to request the Company to buy back his/her shares;
- (VIII) other rights stipulated by the 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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Where the contents of a resolution of the shareholders’ meeting or the Board meeting violate the laws or administrative regulations, the shareholders shall be entitled to petition the people’s court to declare the resolution invalid.

If the convening procedure and voting method of the shareholders’ meeting or the Board meeting run counter to the laws, administrative regulations or Articles of Association, or if the content of any resolution runs counter to the Articles of Association, the shareholders shall be entitled to request the people’s court to cancel the said procedure, method or resolution within 60 days after adoption of the resolution. However, this right does not apply to cases where there are only minor defects in the convening procedure or voting method of the shareholders’ meeting or the Board meeting and which have no material impact on the resolutions.

The shareholders who are not notified to attend a shareholders’ meeting may petition to the people’s court for rescission within 60 days from the date on which they become aware or should have become aware of the adoption of the resolution. The right to rescind shall be extinguished if not exercised within one year from the date on which the resolution is adopted.

The shareholders of the Company shall undertake the following obligations:

- (I) to comply with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association;
- (II) to make payment for shares subscribed for according to the number of shares subscribed for and the method of subscription;
- (III) not to exit shares unless in the circumstances stipulated by laws and administrative regulations and the Hong Kong Listing Rules;
- (IV) not to abuse shareholders’ rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company’s status as an independent legal entity or the limited liability of shareholders to damage the interests of the Company’s creditors;
- (V) other obligations stipulated by laws, administrative regulations, the Hong Kong Listing Rules, and the Article of Association.

General Rules for the Shareholder’s Meeting

The shareholders’ meeting shall comprise all the shareholders. The shareholders’ meeting is the organ of authority of the Company, and shall exercise the following functions and powers pursuant to the law:

- (I) to elect and replace directors and to decide on matters relating to the remuneration of directors;
- (II) to consider and approve reports of the Board;
- (III) to consider and approve the Company’s profit distribution proposals and loss recovery proposals;
- (IV) to resolve on the increase or reduction of the registered capital of the Company;
- (V) to resolve on the issuance of corporate bonds;
- (VI) to resolve on the merger, division, dissolution or liquidation of the Company or change of its corporate form;
- (VII) to amend the Articles of Association;

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- (VIII) to resolve on the engagement and dismissal of the accounting firm that undertakes the Company’s audit business and the payment of its remuneration;
- (IX) to consider matters regarding the Company’s purchase or sale of material assets within one year in excess of 25% of the latest audited total assets of the Company;
- (X) to consider and approve the transactions stipulated in Article 50 of the Articles of Association;
- (XI) to consider and approve the guarantee matters stipulated in Article 44 of the Articles of Association;
- (XII) to consider and approve matters relating to the changes in the use of proceeds from share offerings;
- (XIII) to consider other issues that should be decided by the shareholders’ meeting as stipulated by the 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 shareholders’ meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

The following guarantee-providing actions of the Company shall be considered and approved by the shareholders’ meeting:

- (I) guarantees of the Company and its controlled subsidiaries with an amount exceeding 50% of the latest audited net assets of the Company;
- (II) any guarantee provided after the total amount of Company’s external guarantee exceeds 25% of the latest audited net assets of the Company;
- (III) guarantees provided to others within one year with an amount exceeding 25% of the latest audited net assets of the Company;
- (IV) guarantees provided for guarantee recipients with a debt-to-asset ratio exceeding 70%;
- (V) any single guarantee with an amount exceeding 10% of the audited net assets as of the most recent period;
- (VI) guarantees provided to shareholders, de facto controllers and their related persons;
- (VII) other circumstances stipulated by laws, administrative regulations, and the Hong Kong Listing Rules.

Where the Company provides a guarantee for its wholly-owned subsidiary, or provides a guarantee for a controlled subsidiary while other shareholders of such controlled subsidiary provide guarantees in proportion to their respective interests, and such guarantee falls under the circumstances specified in sub-paragraphs (1), (4), and (5) of the first paragraph of this Article, it may be exempted from submission to the shareholders’ meeting for review, unless otherwise required by laws, administrative regulations, or the securities regulatory rules of the place where the Company’s shares are listed (including the Hong Kong Listing Rules).

The shareholders’ meetings include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year within 6 months from the end of the preceding fiscal year.

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

- (I) the number of directors falls short of the quorum stipulated in the Company Law or is less than two thirds of the number specified in the Articles of Association;
- (II) the unrecovered losses of the Company amount to one third of the total amount of its share capital;
- (III) shareholder(s) severally or jointly holding more than 10% of the Company’s voting shares request(s) in writing the convening of an extraordinary general meeting;
- (IV) when deemed necessary by the Board of Directors;
- (V) when proposed by the Audit Committee;
- (VI) other circumstances as stipulated by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.

Convening of the Shareholders’ Meeting

With the consent of more than half of all independent non-executive directors, independent non-executive directors have the right to propose to the Board of Directors to convene an extraordinary general meeting. Where independent non-executive directors propose to convene an extraordinary general meeting, the Board of Directors shall, in accordance with 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 on whether or not to approve the convening of an extraordinary general meeting within 10 days upon the receipt of the proposal.

If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within 5 days after the resolution is passed by the Board. If the Board of Directors does not agree to convene an extraordinary general meeting, it shall state the reasons and make an announcement.

When the Audit Committee proposes to the Board of Directors to convene an extraordinary general meeting, it shall submit the proposal to the Board of Directors in writing. The Board shall, in accordance with 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 on whether or not to approve the convening of an extraordinary general meeting within 10 days upon the receipt of the proposal. Where the Board agrees to convene an extraordinary general meeting, a notice on the convening of the meeting shall be issued within 5 days after the resolution is passed by the Board, and the changes made to the original proposal in the notice shall be approved by the Audit Committee. Where the Board does not agree to convene the extraordinary general meeting, or fails to reply within 10 days upon the receipt of the proposal, the Board shall be deemed as not being able to perform or not to perform its duty to convene shareholders’ meetings, and the Audit Committee may convene and preside over such meeting on its own.

Shareholders who individually or jointly hold more than 10% of the Company’s total issued share capital have the right to request the Board of Directors to convene an extraordinary general meeting and shall submit such a request to the Board in writing. The Board shall, in accordance with the laws, administrative regulations, Hong Kong Listing Rules and the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association, reply in writing on whether or not to approve the convening of an extraordinary general meeting within 10 days upon the receipt of the request.

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Where the Board agrees to convene the extraordinary general meeting, a notice on convening the meeting shall be issued within 5 days after the resolution is passed by the Board, and the changes made to the original request in the notice shall be approved by relevant shareholders.

If the Board refuses to convene an extraordinary general meeting or fails to give a response within 10 days after receiving the request, shareholders who individually or jointly hold more than 10% of the Company's total issued share capital, have the right to propose to the Audit Committee to convene an extraordinary general meeting and shall submit such a request to the Audit Committee in writing. Where the Audit Committee agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. Any change to the original request set forth in the notice shall be subject to approval by relevant shareholders. If the Audit Committee fails to issue a notice for the meeting within the specified time limit, it shall be deemed that the Audit Committee does not convene and preside over the meeting. In such a case, shareholders who individually or jointly hold more than 10% of the Company's total issued share capital, for more than 90 consecutive days may convene and preside over the meeting on their own.

If the Audit Committee or shareholders decide to convene a shareholders' meeting on their own, they must notify the Board of Directors in writing. When issuing the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting, the Audit Committee or the convening shareholders shall complete all necessary reporting, announcements, or submit relevant supporting materials to the securities regulatory at the place of incorporation and the place where the Company's shares are listed according to the securities regulatory rules of the place where the Company's shares are listed and the regulations of the stock exchange. Before the announcement of the resolutions of the shareholders' meeting, the shareholding ratio of the convening shareholders shall not be less than 10% of the total issued share capital. For the shareholders' meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the Secretary to the Board shall provide cooperation. The Board of Directors shall provide a register of shareholders as of the equity registration date. For the shareholders' meetings convened by the Audit Committee or shareholders on their own, the Company shall bear the necessary expenses for the meeting.

Proposals and Notices of Shareholders' Meetings

The content of a proposal shall fall within the scope of the shareholders' meeting's powers, have a clear topic and specific resolution items, and comply with relevant provisions of laws, administrative regulations, Hong Kong Listing Rules and 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 of Directors, the Audit Committee, and shareholders who individually or jointly hold more than 1% of the Company's total issued share capital have the right to submit proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company's total issued share capital, may submit a temporary proposal in writing to the convener 10 days before the convening of the shareholders' meeting. The convener shall, within 2 days after receipt of the proposal, issue a supplementary notice to announce the content of the temporary proposal, and submit the temporary proposal to the shareholders' meeting for consideration, except where the temporary proposal violates laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or falls outside the scope of the powers of the shareholders' meeting. If, according to the securities regulatory rules of the place where the Company's shares are listed, the shareholders' meeting must be postponed due to the publication of a supplementary notice for the meeting, then the shareholders' meeting shall be postponed in accordance with the requirements of such securities regulatory rules.

Save as specified in the preceding paragraph, the convener shall not change the proposals set out in the notice of shareholders' meeting or add any new proposal after the said notice is served via announcement.

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Proposals not set out in the notice of shareholders’ meeting or not complying with the Articles of Association shall not be voted on or resolved at the shareholders’ meeting.

The convener shall notify each shareholder in announcements 21 days before an annual general meeting (the starting date for calculating the 21-day period does not include the date of the meeting), and notify each shareholder in writing (including announcements) 15 days before an extraordinary general meeting (the starting date for calculating the 15-day period does not include the date of the meeting).

The notice of a shareholders’ meeting shall specify:

- (I) the time, place, format and duration of the meeting;
- (II) matters and proposals submitted for consideration at the meeting;
- (III) a clear statement that all shareholders are entitled to attend the shareholders’ meeting and appoint proxies in writing to attend and vote at such meeting and that such proxies need not be shareholders of the Company;
- (IV) the equity registration date of shareholders entitled to attend the shareholders’ meeting;
- (V) the name and telephone number of the coordinator of the meeting;
- (VI) where a shareholders’ meeting is held via online or other means, the voting time and voting procedure of such means.

Where the election of directors is to be discussed at a shareholders’ meeting, the notice convening the shareholders’ meeting shall disclose in full the detailed information of the director candidates, which shall include at least the following:

- (I) personal particulars, including educational background, work experience, and concurrent positions held;
- (II) whether there exists a connected relationship with the Company or its controlling shareholder(s);
- (III) the number of shares held in the Company;
- (IV) whether the candidate has been subject to any penalties imposed by the China Securities Regulatory Commission or other relevant authorities, or any disciplinary sanctions imposed by a stock exchange;
- (V) whether the candidate meets the other qualification requirements for directors as stipulated by laws, administrative regulations, and the regulatory rules of the place where the Company’s shares are listed, such as the Hong Kong Listing Rules;
- (VI) any other information regarding the director candidate required to be disclosed under the securities regulatory rules of the place where the Company’s shares are listed or other applicable provisions.

Each director candidate shall be proposed as a separate resolution.

Holding of Shareholders’ Meetings

All shareholders whose names are recorded in the register of shareholders on the record date, or their proxies, are entitled to attend the shareholders’ meeting. They can speak at the shareholders’ meeting and exercise their voting rights in accordance with relevant laws, administrative regulations, the

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securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association (except those shareholders who are required to abstain from voting on specific matters in accordance with the securities regulatory rules of the place where the Company’s shares are listed).

Shareholders may attend the shareholders’ meeting in person. Alternatively, they may appoint one or more persons (who need not be shareholders) as their proxies to attend the meeting on their behalf, and to speak and vote on the meeting.

If an individual shareholder attends the meeting in person, they shall present their ID card or other valid certificates or documents that can prove their identity. If a proxy is appointed to attend the meeting on their behalf, the proxy shall present his/her valid ID card and the power of attorney from the shareholder.

Corporate shareholders shall be represented at the meeting by their legal representatives or the proxies appointed by the legal representatives. The legal representative attending the meeting shall present his/her identity card or valid certificate bearing evidence of his/her qualifications as legal representative; a proxy attending the meeting on behalf of the legal representative shall present his/her identity card and the written power of attorney lawfully issued by the legal representative of the corporate shareholder and sealed with the corporate seal. This does not apply to shareholders who are recognized [REDACTED] or their agents as defined by the relevant laws and regulations in force from time to time under Hong Kong law or the securities regulatory rules of the place where the Company’s shares are listed.

The power of attorney used by shareholders to appoint proxies to attend the shareholders’ meeting shall contain the following information:

- (I) name or title of the principal and the category and quantity of the Company’s shares held by the principal;
- (II) name or title of the proxy;
- (III) specific instructions from the shareholder, including instructions on voting in favor, against or abstaining from voting on each item on the agenda of the shareholders’ meeting;
- (IV) the date of issue and validity period of the power of attorney;
- (V) signature (or seal) of the principal; If the principal is a corporate shareholder, the corporate seal shall be affixed; for overseas corporate shareholders without a Company seal, it can be signed by a legally authorized person.

A power of attorney shall contain a statement that, in default of directives, the proxy may vote in his/her discretion.

A shareholder’s proxy may, in accordance with the authorization of such shareholder, exercise (including but not limited to) the following rights:

- (I) the right of such shareholder to speak at the shareholders’ meeting;
- (II) the right to demand a poll vote, either alone or jointly with others;
- (III) the right to exercise voting rights by way of a poll vote.

If more than one proxy is appointed by a shareholder, such proxies may only exercise voting rights by way of a poll vote.

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If the shareholder is a recognized clearing house (or its agent), the shareholder may authorize one or more persons it deems appropriate to act as its representatives at any shareholders’ meeting or creditors’ meeting. However, if more than one person is authorized, the power of attorney shall specify the number and type of shares involved in the authorization for each such person, and the power of attorney shall be signed by an authorized person of the recognized clearing house. Persons so authorized may exercise the rights on behalf of the recognized clearing house (or its agent) (without presenting shareholding certificates, notarized authorizations and/or further evidence to prove their formal authorization), and shall enjoy the same legal rights as other shareholders, including the rights to speak and vote, as if such persons were individual shareholders of the Company.

Where the proxy voting authorization form is signed by a person authorized by the principal, the power of attorney authorizing signature or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the proxy voting authorization form, be deposited at the Company’s domicile or at such other place as specified in the notice of the meeting.

Where the appointer is a legal entity, its legal representative or a person authorized by a resolution of its board of directors or other governing body shall attend the shareholders’ meeting as its representative.

If the shareholders’ meeting requires the directors and senior management members to be present at the meeting as non-voting delegates, the directors and senior management members shall attend the meeting as non-voting delegates and subject themselves to the inquiries of the shareholders. Subject to compliance with the securities regulatory rules of the place where the Company’s shares are listed, the aforementioned persons may attend or participate in the meeting via online, video, telephone, or other means of equivalent effect.

The shareholders’ meetings shall be presided over by the chairman of the Board of Directors. Where the chairman cannot or does not fulfill the duty thereof, more than half of the directors may jointly elect a director to preside over the meeting.

A shareholders’ meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable to perform his/her duties or fails to perform his/her duties, one member of the Audit Committee jointly recommended by more than half of the Audit Committee members shall preside over the meeting.

For a shareholders’ meeting convened by shareholders on their own, it shall be presided over by the convener or a representative recommended by the convener.

When the presider violates the rules of procedure during the shareholders’ meeting, making it impossible to continue the meeting, with the consent of shareholders holding more than half of the voting rights present at the meeting, the shareholders’ meeting may elect a person to serve as the presider to continue the meeting.

Voting and Resolutions at Shareholders’ Meetings

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

The following matters shall be approved by ordinary resolutions at a shareholders’ meeting:

- (I) work reports of the Board of Directors;

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- (II) profit distribution plan and loss recovery plan formulated by the Board;
- (III) the appointment and removal of Board members (including their removal before the expiration of their terms of office, without prejudice to their claims for damages under any contract), as well as their remuneration and methods of payment;
- (IV) other matters than those that should be passed by special resolutions pursuant to relevant laws, administrative regulations, 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 special resolutions at a shareholders' meeting:

- (I) increase or decrease of the registered capital of the Company;
- (II) division, merger, dissolution and liquidation of the Company or change of its corporate form;
- (III) amendment of the Articles of Association;
- (IV) within 1 year, the Company's purchase or sale of major assets, external investment, provision of financial assistance, external donations, or other matter, where the amount of such single transactions exceeds 20% of the latest audited total assets of the Company, or the amount of guarantees exceeds 25% of the latest audited total assets of the Company in a consecutive 12 months period;
- (V) equity incentive scheme;
- (VI) other matters that need to be passed by a special resolution as stipulated by laws, administrative regulations, Hong Kong Listing Rules and the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association, or the rules of procedure of the shareholders' meeting.

Shareholders (including proxies thereof) shall exercise their voting rights as per the voting shares they represent. Each share carries the right to one vote, except for holders of class shares, unless otherwise provided by laws, administrative regulations, departmental rules, regulatory documents, or the securities regulatory rules of the place where the Company's shares are listed. When voting, a shareholder (including a shareholder's proxy) with two or more votes is not required to cast all votes uniformly as in favor of (or against or abstain) from a resolution matter.

Where laws, administrative regulations, departmental rules, regulatory documents, or the securities regulatory rules of the place where the Company's shares are listed require that a shareholders' meeting review major matters affecting the interests of minority investors and that the votes of such investors be counted separately, such requirements shall be complied with. The results of such separate vote counting shall be publicly disclosed in a timely manner (if required) in accordance with the applicable laws, administrative regulations, departmental rules, regulatory documents, and the securities regulatory rules of the place where the Company's shares are listed.

The Company has no voting right for the shares it holds, and such part of shares shall be excluded from the total number of voting shares represented by the shareholders attending the shareholders' meeting.

According to applicable laws and regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a resolution matter, or is restricted to only vote in favor of (or against) a resolution matter, the votes cast by such shareholders or their proxies in violation of relevant regulations or restrictions shall not be included in the total number of voting shares.

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When a related party transaction is considered at a shareholders’ meeting, the related shareholders shall abstain from voting, and the voting shares held by them shall not be counted in the total number of valid votes; the resolution of the shareholders’ meeting shall fully disclose the voting results of the non-related shareholders.

DIRECTORS AND THE BOARD OF DIRECTORS

General Provisions on Directors

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

- (I) a person without civil capacity or with limited civil capacity;
- (II) a person who has been sentenced for corruption, bribery, embezzlement, misappropriation of property, or disrupting the socialist market economic order, or has been deprived of political rights due to a criminal offense, where five years have not elapsed since the completion of the sentence or, in the case of a suspended sentence, two years have not elapsed since the expiration of the probation period;
- (III) a person who served as a director, factory director, or general manager of a company or enterprise that entered into bankruptcy liquidation and who was personally liable for the bankruptcy, where three years have not elapsed since the completion of the bankruptcy liquidation;
- (IV) a person 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 violations of law and who was personally liable for such events, where three years have not elapsed since the date of such revocation or closure;
- (V) a person who has a large amount of personal debt that is due and remains unpaid, and who has been listed by a people’s court as a discredited judgment debtor;
- (VI) a person who is subject to a market entry ban imposed by the csrc, where the ban period has not yet expired;
- (VII) a person who has been publicly identified by a stock exchange as unsuitable to serve as a director or senior management member of a listed company, where the period of such unsuitability has not yet expired;
- (VIII) other circumstances as prescribed by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the company’s shares are listed.

Any election, appointment, or engagement of a director in violation of this article shall be invalid. If any director falls under any of the above circumstances during his/her term of office, the Company shall remove such person from the position.

Directors other than those serving as employee representatives shall be elected or replaced by the shareholders’ meeting. Each term shall be for a period of three years. Upon expiration of their term of office, a director may stand for re-election, unless otherwise stipulated by relevant laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company’s shares are listed. Furthermore, a shareholders’ meeting may remove a director from office prior to the expiration of his/her term in accordance with relevant laws, regulations, the Hong Kong Listing Rules, and other applicable securities regulatory rules of the place where the Company’s shares are listed.

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The term of office of a director shall commence from the date on which such person assumes office and shall end upon the expiration of the current term of the Board. If re-election is not conducted in a timely manner upon the expiry of a director's term, the original director shall continue to perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association until the newly elected director assumes office. Subject to compliance with applicable laws, regulations, and regulatory rules of Hong Kong, any person appointed by the Board to fill a casual vacancy on the Board or as an addition to the Board shall hold office only until the first annual general meeting after his/her appointment, at which time such person shall be eligible for re-election.

A director may resign before the expiration of his/her term of office. A written resignation report shall be submitted to the Board in the event of a resignation. The Board shall disclose the relevant information within the period required by the regulatory rules of the place where the Company's shares are listed.

If the resignation of a director results in the number of members of the Board falling below the statutory minimum, such resignation shall not become effective until the vacancy caused by the resignation is filled by a newly appointed director. Before the resignation becomes effective, the resigning director shall continue to perform his/her duties in accordance with laws, administrative regulations, and regulations of the place where the Company's shares are listed and the Articles of Association. Subject to compliance with applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed, if the Board of Directors appoints a new director to fill a casual vacancy or as an addition to the Board, such director shall hold office only until the first annual shareholders' meeting following his/her appointment, at which time he/she shall be eligible for re-election.

Board of Directors

The Board shall comprise nine directors. The Board shall have one employee representative director and three independent non-executive directors. The number of independent non-executive directors shall account for no less than one-third of the total number of Board members and at least one independent non-executive director shall be an accountant professional

The term of office of an independent director shall be the same as that of other directors, but an independent director shall not serve consecutively for more than six years. The Board shall have the power to make decisions on the execution of business operations and day-to-day management. Upon resolutions being adopted by the shareholders' meeting, the Board shall implement such resolutions and be accountable to the shareholders' meeting.

The Board shall exercise the following powers:

- (I) to convene the shareholders' meeting and report to the shareholders' meeting on its work;
- (II) to implement the resolutions adopted at the shareholders' meeting;
- (III) to determine the Company's business plans and investment proposals;
- (IV) to formulate the Company's profit distribution and loss recovery plans;
- (V) to formulate plans for increasing or reducing the registered capital of the Company, issuing bonds or other securities, and listing;
- (VI) to draft plans for major acquisitions, buybacks of the Company's shares, mergers, demergers, dissolution, or changes to the Company's corporate form;

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- (VII) to determine, within the scope of authority delegated by the shareholders’ meeting, matters concerning the Company’s external investments, acquisitions and disposals of assets, asset pledges, external guarantees, entrusted wealth management, connected transactions, external donations, and other matters;
- (VIII) to determine the organizational structure of the Company’s internal management;
- (IX) to determine the appointment or dismissal of the president, Secretary to the Board, and other senior management members of the Company, and to decide on matters concerning their remuneration, rewards, and penalties; based on the nomination of the president, to determine the appointment or dismissal of deputy presidents, the chief financial officer, and other senior management members, and to decide on matters concerning their remuneration, rewards, and penalties;
- (X) to formulate the Company’s basic management systems;
- (XI) to formulate proposals for amendments to the Articles of Association;
- (XII) to manage matters related to the Company’s information disclosure;
- (XIII) to submit proposals to the shareholders’ meeting for the engagement or replacement of the accounting firm responsible for auditing the Company;
- (XIV) to hear the work reports of the president of the Company and review the performance of the president;
- (XV) other powers granted 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.

Unless otherwise provided in the securities regulatory rules of the place where the Company’s shares are listed, the Board shall determine the scope of authority for the Company’s external investments, acquisitions and disposals of assets, asset pledges, external guarantees, entrusted wealth management, connected transactions, and external donations, and shall establish strict review and decision-making procedures. Major investment projects shall be evaluated by relevant experts or professionals and submitted to the shareholders’ meeting for approval.

The Board shall have one chairman and shall be elected and removed by a majority of all directors.

The chairman shall exercise the following powers:

- (I) to preside over shareholders’ meetings and to convene and preside over Board meetings;
- (II) to supervise and inspect the implementation of Board resolutions;
- (III) to sign the important Board documents;
- (IV) to nominate the candidate for the Company’s general manager to the Board for approval;
- (V) other powers granted by the Article of Association, shareholder’s meeting, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed or the Board.

The Board shall hold at least 4 meetings each year, which shall be convened by the chairman, and all directors shall be notified at least 14 days before the meeting.

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Shareholders holding ten percent or more of the total voting rights, individually or collectively, one-third or more of the directors, or the Audit Committee may propose the convening of an extraordinary meeting of the Board of Directors. The Chairman shall, within 10 days of receiving such a proposal, convene and chair a meeting of the Board of Directors.

The notice of an extraordinary Board meeting may be delivered by mail, personal delivery, email or other means approved by the Board of Directors. The notice period shall be no less than 48 hours prior to the date of the meeting.

The notice of the Board Meeting shall include the following issue:

- (I) the date and venue of the meeting;
- (II) the period of the meeting;
- (III) the reasons for convening the meeting and the proposed agenda;
- (IV) the date on which the notice is issued;
- (V) any other circumstances required by laws, administrative regulations, departmental rules, regulatory documents, the Hong Kong Listing Rules, or other regulatory rules of the place where the Company’s shares are listed.

An oral notice of meeting shall include at least the particulars specified in items (I) and (II) above, together with an explanation of the emergency requiring the prompt convening of an extraordinary meeting of the Board of Directors.

A Board meeting shall be convened only when more than one-half of all directors are in attendance. A resolution of the Board shall be adopted only with the approval of more than one-half of all directors. Each director shall have one vote.

Directors who are related to the corporates or individuals involved in the matters to be resolved at a Board meeting, the director shall promptly make a written report to the Board and abstention from voting due to conflict of interest. Such director shall not vote on the resolution in question and shall not vote on behalf of any other director. The Board meeting may be held with the attendance of more than one-half of the disinterested directors, and resolutions shall be passed by more than one-half of the disinterested directors in attendance. If the number of disinterested directors attending the meeting is less than three, the matter shall be submitted to the shareholders’ meeting for consideration.

Board meetings shall be attended in person by directors. If a director is unable to attend due to special circumstances, he/she may, by written proxy, authorize another director to attend on his/her behalf. An independent director shall not authorize a non-independent director to vote on his/her behalf. The proxy shall specify the name of the proxy holder, the matters authorized, the scope of authority, and the validity period, and shall be signed or sealed by the principal. The director attending the meeting on behalf of another shall exercise the director’s rights within the scope of authorization. A director who neither attends the Board meeting nor authorizes another director to attend on his/her behalf shall be deemed to have waived the right to vote at that meeting.

Resolutions of the Board of Directors shall be adopted by a show of hands or by a poll.

An extraordinary Board meeting may, provided that all directors are afforded full opportunity to express their views, be held and resolutions may be passed by means of communications such as correspondence, fax, or video conference. Resolutions passed shall be signed by the participating directors, provided that the written form of the resolutions and the minutes of the meeting shall be signed thereafter.

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Special Committees under the Board

The Company shall establish an Audit Committee within the Board to exercise the powers regulated by the Company Law, the securities regulatory rules of the place where the Company’s shares are listed and other powers granted by the Article of Association.

The audit committee shall comprise a minimum of 3 members, all of whom shall be non-executive directors not being the senior management members, and at least one of the independent non-executive directors with appropriate professional qualifications or accounting or related financial expert of the audit committee under the Hong Kong Listing Rules and other regulatory rules of the place where the Company’s shares are listed. A majority of the audit committee members must be independent non-executive directors of the Company, and its chairman must be an independent non-executive director.

The Audit Committee shall be responsible for reviewing the Company’s financial information and its disclosure, supervising and evaluating internal and external audits and internal controls. The following matters shall be submitted to the Board for deliberation only after being approved by more than half of all members of the Audit Committee:

- (I) disclosure of financial and accounting reports and financial information in periodic reports, and internal control evaluation reports;
- (II) appointment or dismissal of the accounting firm undertaking the audit of the listed Company;
- (III) appointment or dismissal of the chief financial officer of the listed Company;
- (IV) changes in accounting policies, accounting estimates, or corrections of significant accounting errors for reasons other than changes in accounting standards;
- (V) matters relating to the application of funds, including but not limited to connected transactions, external investments, the provision of financial assistance, and borrowing, shall be subject to review and approval by the Board of Directors.
- (VI) other matters as stipulated by laws, administrative regulations, securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association.

The Audit Committee shall convene at least one meeting each quarter. An ad hoc meeting may be convened when proposed by two or more members or deemed necessary by the convener. Meetings of the Audit Committee shall only be held when more than two-thirds of the members are present. Resolutions of the Audit Committee shall be passed by more than half of the members. Voting on resolutions of the Audit Committee shall follow a one-person-one-vote rule. Meeting minutes of Audit Committee resolutions shall be prepared in accordance with regulations, and the Audit Committee members attending the meeting shall sign the minutes.

The Board shall establish other relevant special committees such as the Strategy Committee, Nomination Committee, Remuneration Committee and ESG Committee. In the Nomination Committee, the Remuneration Committee, the independent non-executive Directors shall constitute the majority and serve as the chairman.

The rules of procedure for the special committees shall be formulated by the Board.

Senior Management

The Company shall have one general manager, who shall be appointed or dismissed by the Board. The Company may appoint other senior management members, who shall also be appointed or dismissed by the Board.

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The Articles of Association concerning disqualification from serving as a director shall also apply to senior management. Article 98 of the Articles of Association concerning the duty of loyalty of directors and Article 99 concerning the duty of diligence shall also apply to senior management. Article 119 of the Articles of Association concerning the resignation of directors shall likewise apply to senior management.

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

- (I) preside over the Company’s production and operational management, organize the implementation of resolutions of the Board, and report to the Board on their work;
- (II) organize the implementation of the Company’s annual business plan and investment proposals;
- (III) formulate plans for the establishment of the Company’s internal management structure;
- (IV) formulate the Company’s basic management systems;
- (V) formulate specific rules and regulations of the Company;
- (VI) propose to the Board the appointment or dismissal of other senior management members of the Company;
- (VII) decide on the appointment or dismissal of managerial personnel other than those whose appointment or dismissal shall be decided by the Board;
- (VIII) the powers of the legal representative of the Company and sign other documents, reports that shall be signed by the legal representative of the Company;
- (IX) other powers granted by the Articles of Association or the Board.

The general manager shall attend Board meetings.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION, AND AUDIT

Financial and Accounting System

The Company shall, in accordance with laws, administrative regulations, and the provisions of relevant state authorities, formulate its financial and accounting system.

The Company shall prepare the financial accounting report and have it audited in accordance with the law by an accounting firm.

In addition to statutory accounting books, the Company shall not establish separate accounting books. The Company’s assets shall not be deposited in accounts opened under any individual’s name.

When distributing the after-tax profits of the current year, the Company shall allocate 10% of such profits to the statutory reserve fund. Where the cumulative amount of the statutory reserve fund has exceeded 50% of the Company’s registered capital, no further allocation is required.

If the statutory reserve fund of the Company is insufficient to cover losses carried forward from previous years, such losses shall be covered first using the profits of the current year before making the allocation to the statutory reserve fund as provided in the preceding paragraph. After allocating to the statutory reserve fund, the Company may, subject to resolution of the shareholders’ meeting, further allocate a portion of the after-tax profits to a discretionary reserve fund.

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The remaining after-tax profits of the Company, after covering losses and allocating to the reserve funds, shall be distributed to shareholders in proportion to their respective shareholdings, except where otherwise provided in the Articles of Association. Where the shareholders’ meeting distributes profits in violation of the Company Law, the shareholders shall return such improperly distributed profits to the Company. Where losses are caused to the Company, the shareholders and the directors and senior management members who are responsible shall be liable for compensation. Shares of the Company held by the Company itself shall not be entitled to profit distribution.

The Company’s reserve funds shall be used to cover losses, expand production and operations, or be converted into capital of the Company. When the statutory surplus reserve is converted into an increase in registered capital, the amount of such reserve retained thereafter shall not be less than 25% of the Company’s registered capital prior to the conversion.

Internal Audit

The Company shall implement an internal audit system, which shall clearly define the leadership structure, responsibilities and authority, staffing, funding, utilization of audit results, and accountability in relation to internal audit work.

The internal audit system of the Company shall be accountable to the Board.

Engagement of Accounting Firms

The Company shall engage an accounting firm that complies with the Securities Law, the regulatory rules of the place where the Company’s shares are listed to provide services including auditing of financial statements, verification of net assets, and other relevant consultancy services. The term of engagement shall be one year and may be renewed.

The engagement or dismissal of an accounting firm and the payment of its remuneration shall be determined by the shareholders’ meeting. The Board shall not appoint an accounting firm before the shareholders’ meeting has made a decision.

The Company shall provide the engaged accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse, conceal, or make any false statements.

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

If the Company dismisses or decides not to renew the engagement of an accounting firm, it shall notify the firm three days in advance. When the shareholders’ meeting of the Company deliberates the dismissal of the accounting firm, the firm shall be allowed to express its opinion. Where an accounting firm proposes resignation, it shall explain to the Board whether there are any improprieties on the part of the Company.

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

Merger, Division, Increase and Reduction of Registered Capital

The Company may, in accordance with the law, undergo a merger or division. A merger may take the form of an absorption merger or a new establishment merger. In an absorption merger, one Company absorbs other companies, and the absorbed companies shall be dissolved. In a new establishment merger, two or more companies merge to establish a new Company, and all parties to the merger shall be dissolved.

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For a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date the merger resolution is adopted, and shall make an announcement within 30 days on stipulated journal, or via the National Enterprise Credit Information Publicity System. Creditors may, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement if no notice is received, demand that the Company repay debts or provide corresponding guarantees.

In a merger, the surviving Company or the newly established Company shall assume all claims and debts of the parties to the merger.

In the case of a division, the Company’s assets shall be divided accordingly.

A balance sheet and an inventory of assets shall be prepared for the division. The Company shall notify its creditors within 10 days from the date the division resolution is adopted, and shall make an announcement within 30 days on stipulated journal, or via the National Enterprise Credit Information Publicity System. Debts incurred before the division shall be borne jointly and severally by the companies after the division, except where the Company has entered into a written agreement with the creditors regarding debt repayment prior to the division.

The Company shall notify its creditors within 10 days from the date the shareholders’ meeting adopts the resolution to reduce the registered capital, and shall make an announcement within 30 days in stipulated journal or via the National Enterprise Credit Information Publicity System. Creditors may, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement if no notice is received, demand that the Company repay debts or provide corresponding guarantees.

Where the Company issues new shares to increase its registered capital, shareholders shall not have preemptive subscription rights, unless otherwise provided in the Articles of Association or resolved by the shareholders’ meeting.

Where a merger or division involves changes in registration particulars, such changes shall be registered with the Company registration authority in accordance with the law. Where the Company is dissolved, it shall apply for deregistration in accordance with the law. Where a new Company is established, it shall apply for Company registration in accordance with the law.

Where the Company increases or reduces its registered capital, it shall register the change with the Company registration authority in accordance with the law.

Dissolution and Liquidation

The Company shall be dissolved for any of the following reasons:

- (I) the expiration of the business term prescribed in the Articles of Association or the occurrence of any other dissolution event stipulated in the Articles of Association;
- (II) dissolution as resolved by the shareholders’ meeting;
- (III) dissolution due to a merger or division of the Company;
- (IV) revocation of the business license, order to close down, or cancelation as imposed in accordance with the law;
- (V) where the Company encounters serious difficulties in its operations and management, and its continued existence would cause significant harm to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders individually or jointly holding more than 10% of the total voting rights of all shareholders may petition the people’s court to dissolve the Company.

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Where any of the dissolution events set forth in the preceding paragraph occurs, the Company shall disclose the cause of dissolution via the National Enterprise Credit Information Publicity System within ten days.

Where the Company falls under the circumstances described in items (I) or (II) of Article 183 of the Articles of Association and has not yet distributed its assets to shareholders, it may continue to exist by amending the Articles of Association or by resolution of the shareholders’ meeting.

An amendment to the Articles of Association or a resolution of the shareholders’ meeting in accordance with the preceding paragraph shall be passed by shareholders representing more than two-thirds of the voting rights of the shareholders attending the shareholders’ meeting.

Where the Company is dissolved due to the circumstances stipulated in items (I), (II), (IV), or (V) of Article 183 of the Articles of Association, it shall be liquidated. The directors shall be the liquidation obligors of the Company and shall establish a liquidation committee within 15 days from the date the dissolution event arises and commence liquidation. The liquidation committee shall be composed of directors, unless otherwise provided in the Articles of Association or otherwise resolved by the shareholders’ meeting. Where the liquidation obligors fail to perform their liquidation duties in a timely manner and cause losses to the Company or its creditors, they shall be liable for compensation.

During the liquidation period, the liquidation committee shall exercise the following powers:

- (I) to sort out the assets of the Company and preparing a balance sheet and an inventory of assets respectively;
- (II) notifying or announcing to creditors;
- (III) handling the Company’s unfinished business related to the liquidation;
- (IV) paying taxes owed and taxes arising during the liquidation process;
- (V) verifying claims and debts;
- (VI) distributing any remaining property of the Company after debts have been repaid;
- (VII) representing the Company in civil litigation proceedings.

The liquidation committee shall notify creditors within ten days from its establishment and shall make an announcement within sixty days in China Securities Journal, Securities Times, or via the National Enterprise Credit Information Publicity System. Creditors shall declare their claims to the liquidation committee within thirty days from the date of receiving the notice, or within forty-five days from the date of the announcement if the notice was not received. When declaring claims, creditors shall explain the details of their claims and provide supporting documents. The liquidation committee shall register the declared claims. During the claim declaration period, the liquidation committee shall not make any payments to creditors.

Upon completing the verification of the Company’s assets and preparation of the balance sheet and the inventory of assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders’ meeting or the people’s court for confirmation. After settling liquidation expenses, employee wages, social insurance premiums, statutory compensations, taxes owed, and repaying the Company’s debts, the remaining assets of the Company shall be distributed to shareholders in proportion to their shareholding. During the liquidation period, the Company shall continue to exist but shall not conduct any business activities unrelated to the liquidation. The Company’s assets shall not be distributed to shareholders before the payments specified in the preceding paragraph have been made.

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If, after verifying the Company’s assets and preparing the balance sheet and inventory of assets, the liquidation committee determines that the Company’s assets are insufficient to repay its debts, it shall apply to the people’s court for bankruptcy liquidation. Upon acceptance of the bankruptcy application by the people’s court, the liquidation committee shall transfer the liquidation matters to the bankruptcy administrator designated by the people’s court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders’ meeting or the people’s court for confirmation, and file an application with the Company registration authority for deregistration, and announce the termination of the Company.

If the Company is declared bankrupt in accordance with the law, it shall undergo bankruptcy liquidation pursuant to the relevant laws on enterprise bankruptcy.

AMENDMENT TO THE ARTICLES OF ASSOCIATION

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

- (I) where amendments to the Company Law or relevant laws, administrative regulations, or the securities regulatory rules of the stock exchange where the Company’s shares are listed result in inconsistencies with the provisions of the Articles of Association;
- (II) where changes in the Company’s circumstances result in inconsistencies with the matters recorded in the Articles of Association;
- (III) where the shareholders’ meeting resolves to amend the Articles of Association.