

## **APPENDIX V**

## **SUMMARY OF ARTICLES OF ASSOCIATION**

*This Appendix sets out a summary of main provisions of the Articles of Association of the Company adopted on January 15, 2026, which shall become effective from the date on which the H Shares are [REDACTED] on the Hong Kong Stock Exchange. As the main purpose of this Appendix is to provide potential [REDACTED] with an overview of the Company's Articles of Association, it may not necessarily contain all information that is important for potential [REDACTED].*

### **SHARES AND REGISTERED CAPITAL**

The shares of the Company shall be issued in a transparent, fair and equal manner, and each share shall rank pari passu with other shares of the same class. Shares of the same class issued at the same time shall be issued with the same conditions and price per share; any individual shall pay the same price per share for the subscription of shares.

The domestic unlisted shares issued by the Company shall be registered and deposited at the domestic securities registration and settlement institution in a centralized manner. H shares issued by the Company may be kept by trustee escrow companies in accordance with laws, securities regulatory rules and requirements of securities registration and depository of the place where the Company's shares are listed, or may also be held by shareholders in their own name.

All the shares issued by the Company are denominated in RMB.

### **SHARE ADDITIONS, REPURCHASES AND TRANSFERS**

#### **Share increase or decrease**

The Company may, pursuant to a resolution passed by a general meeting of shareholders, adopt the following methods to increase its capital according to its operation and development needs and in compliance with the provisions of laws and regulations:

- (1) share issuance to unspecified parties;
- (2) share issuance to specified parties;
- (3) distribution of bonus shares to existing shareholders;
- (4) conversion of the common reserve fund into additional share capital;
- (5) other means as required by laws and administrative regulations and the relevant regulatory authorities such as China Securities Regulatory Commission (CSRC), Hong Kong Stock Exchange or the securities regulatory authorities in the place where the Company's shares are listed.

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When a company reduces its registered capital, it will prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of making the decision in a general meeting of shareholders to reduce the registered capital, and make an announcement in newspapers (or the National Enterprise Credit Information Publicity System), and the HKEXnews website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website within 30 days according to the securities regulatory rules in the place where the Company's shares are listed. The creditors have the right to demand the Company to pay off its debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of the announcement if it has not received the notice.

### Share repurchase

The Company shall not acquire the Company's shares except in any of the following circumstances:

- (1) reduce the registered capital of the Company;
- (2) merger with other companies which hold shares of the Company;
- (3) use shares in employee shareholding plans or equity incentives;
- (4) the shareholder requests the Company to purchase its shares due to objection to the resolution on the merger or division of the Company made by the shareholders' meeting;
- (5) convert shares into corporate bonds issued by the Company that can be converted into share certificates;
- (6) necessary for the Company to safeguard the Company's value and shareholders' interests;
- (7) other circumstances permitted by laws, regulations and rules of the securities regulatory authorities where the Company's shares are listed.

Where the Company acquires the Company's shares due to the circumstances specified in items (3), (5) and (6) of the above, the acquisition shall be conducted through a public centralized transaction. Where the Company acquires the Company's shares due to the circumstances specified in items (1) and (2) of the above, the acquisition shall be subject to a resolution of the shareholders' meeting. Where the Company acquires the Company's shares due to the circumstances specified in items (3), (5) and (6) of the above, the acquisition shall be resolved by more than two-thirds of the directors who attended the Board meeting according to the provisions of the Articles of Association or as authorized by the shareholders' meeting, provided that it complies with the applicable securities regulatory rules of the place where the Company's shares are listed. For the acquisition of the Company's shares, the Company shall

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perform its information disclosure obligation in accordance with the laws, regulations and rules of the regulatory authorities where the Company's shares are listed. For the domestic unlisted shares, after the Company acquires the shares of the Company pursuant to the above provisions, it shall be deregistered within 10 days from the date of acquisition in circumstance specified in (1); the shares shall be transferred or deregistered within 6 months in circumstances specified in (2) and (4); the total number of shares of the Company held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances specified in (3), (5) and (6) and shall be transferred or deregistered within three years. Where the laws, regulations and the securities regulatory authorities of the place where the Company's shares are listed have other provisions on the relevant matters involved in the repurchase of shares, such provisions shall prevail.

The Company may acquire the shares of the Company by public centralized transaction, or other methods approved by the laws, administrative regulations, the CSRC and the securities regulatory authorities where the Company's shares are listed.

### **Transfer of shares**

The shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing of the Company's shares on the stock exchange.

Directors and senior management of the Company shall report to the Company the shares (including preferred shares) of the Company held by them and their changes. During their term of office as determined at the time of their appointment, the shares transferred each year shall not exceed 25% of the total number of shares of the same class they held in the Company. The shares of the Company shall not be transferred within one year from the date of listing. The above mentioned personnel shall not transfer the shares of the Company held by them within half a year after their resignation. Where the laws, regulations, CSRC and/or the listing rules of the place where the Company's shares are listed provide otherwise for restrictions on the transfer of the Company's shares, such provisions shall prevail.

In the event that any shareholder holding 5% or more of the shares of the Company, director or senior management disposes of any shares or other equity securities held by him/her within six months from the date of acquiring, or acquires within six months from the date of disposing, the gains derived therefrom shall belong to the Company and be recovered by the Board of the Company. However, the securities company holds more than 5% of the shares as a result of the purchase of the remaining shares after the underwriting, and other circumstances stipulated by the CSRC shall be excluded. Where the listing rules of the place where the Company's shares are listed contain any other provisions, such provisions shall prevail. Shares or other equity securities held by the directors, senior management and shareholders of natural persons as mentioned in the preceding paragraph shall include the shares or other equity securities held by their spouses, parents, children and through the accounts of others. If the Board of the Company does not comply with the provisions of this Article, the shareholders shall have the right to request the Board to implement the provisions within 30 days. If the

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Board of the Company fails to carry out the enforcement within the aforesaid time limit, the shareholders shall have the right to directly initiate litigations in the People's Court for the benefit of the Company in their own name. If the Board of the Company fails to comply with the provisions of this Article, the responsible directors shall be jointly and severally liable in accordance with the law.

### **SHAREHOLDERS AND SHAREHOLDERS' MEETINGS**

#### **Shareholders**

The Company shall establish a register of shareholders on the basis of the certificates provided by the securities depository and clearing institution, and the register of shareholders shall be a sufficient evidence that shareholders hold the shares of the company. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy the same rights and assume the same obligations.

Shareholders of the Company have the following rights:

- (1) speak and vote at shareholders' meetings, unless required to abstain from voting on specific matters pursuant to the regulations of the Listing Rules of Hong Kong Stock Exchange;
- (2) have dividends and other forms of distribution of benefits based on the number of shares held by them;
- (3) lawfully request, convene, preside over, attend or appoint a shareholder's proxy to attend the shareholders' meeting, and exercise the corresponding speaking and voting rights;
- (4) supervise the operation of the Company and put forward suggestions or inquiries;
- (5) transfer, gift or pledge the shares held by it in accordance with the laws, administrative regulations and the Articles of Association;
- (6) inspect and make copies of the Articles of Association, the register of shareholders, minutes of shareholders' meetings, resolutions of the Board and financial and accounting reports, shareholders who meet the requirements may inspect the Company's accounting books and accounting certificates;
- (7) at the time of termination or liquidation, the Company shall participate in the distribution of the remaining assets of the Company according to the shares held by it;

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- (8) a shareholder who disagrees with the resolution on the merger or division of the Company made by the shareholders' meeting shall require the Company to purchase its shares;
- (9) inspect the branch register of members in Hong Kong, but the Company may close the register on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (10) other rights stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or Articles of Association of the Company.

If the resolutions of the shareholders' meeting or the Board of the Company violate the laws or administrative regulations, the shareholders shall have the right to request the People's Court to determine that the resolutions are invalid. If the procedures for convening the meetings of the shareholders' meeting or the Board, or the way of voting violates the provisions of the laws, administrative regulations or the Articles of Association of the Company, or the content of the resolutions violates the provisions of the Articles of Association of the Company, the shareholders shall have the right to request the People's Court to revoke the resolutions within 60 days from the date when the resolutions are made, unless there is only a minor defect in the procedures for convening a shareholders' general meeting or the Board meeting or in the manner of voting thereat, which does not materially affect the resolution.

Shareholders of the Company have the following obligations:

- (1) comply with laws, administrative regulations and the Articles of Association;
- (2) pay the share capital in accordance with the shares subscribed for and the manner of share purchase;
- (3) shall not withdraw the shares except for the circumstances stipulated by laws and regulations;
- (4) not 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;
- (5) other obligations stipulated by laws, administrative regulations, the Articles of Association and securities regulatory rules of the place where the Company's shares are listed.

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### General requirements of shareholders' meetings

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

- (1) elect and replace directors, and decide on the remuneration of directors;
- (2) consider and approve the report of the Board;
- (3) consider and approve the Company's profit distribution plan and loss recovery plan;
- (4) make resolutions on the increase or decrease of the registered capital of the Company;
- (5) make resolutions on the issuance of corporate bonds by the Company;
- (6) make resolutions on the merger, division, dissolution, liquidation of the Company or change of the Company's form;
- (7) amend the Articles of Association;
- (8) make resolutions on the appointment and dismissal as well as the remuneration of the accounting firm responsible for the auditing of the Company;
- (9) consider and approve the guarantee matters stipulated in Article 47 of the Articles of Association;
- (10) consider the purchase or sale of material assets by the Company in excess of 30% of the Company's most recent audited total assets within one year;
- (11) consider and approve the changes in the use of proceeds;
- (12) consider share incentive plans and employee share ownership plans;
- (13) consider other matters that shall be decided by the shareholders' meeting as provided in the laws, administrative regulations, departmental rules, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

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

- (1) any guarantee provided after the total amount of guarantees provided by the Company and its controlled subsidiaries to external parties exceeding 50% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of external guarantees provided by the Company exceeding 30% of the latest audited total assets of the Company;
- (3) any guarantee provided to others by the Company within one year of a value exceeding 30% of the latest audited total assets of the Company;
- (4) any guarantee provided to a party with an asset-liability ratio of over 70%;
- (5) any guarantee with a single guarantee amount exceeding 10% of the latest audited net assets;
- (6) any guarantee provided to shareholders, de facto controllers and their related parties;
- (7) other guarantees that shall be considered by the shareholders' meeting as stipulated by laws, regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Under any of the following circumstances, the Company shall convene an extraordinary general meeting within 2 months from the date of occurrence:

- (1) the number of directors is less than the number prescribed in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (2) the unrecovered loss of the Company reaches 1/3 of the total share capital;
- (3) at the request of shareholders who individually or collectively hold more than 10% of the shares (including preference shares with voting rights restored, etc.) of the Company;
- (4) when the Board deems it necessary;
- (5) when the member of the Audit Committee proposes to convene;
- (6) other circumstances stipulated by laws, administrative regulations, departmental rules or the Articles of Association of the Company.

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### Convening of shareholders' meeting

The Board shall convene the shareholders' meeting on time within the specified period.

Subject to the consent of more than half of all the independent directors, the independent directors have the right to propose to the Board to convene an extraordinary general meeting. With regard to the proposal made by the independent directors for convening an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, a notice of convening the shareholders' meeting shall be issued within 5 days after the resolution of the Board is made. Where the Board does not agree to convene the extraordinary general meeting, it shall provide reasons and make an announcement.

The Audit Committee shall propose to the Board to convene of an extraordinary general meeting in writing. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, a notice of convening the shareholders' meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original proposal in the notice shall be agreed with the Audit Committee. Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the proposal, the Board shall be deemed to be unable to perform or fail to perform its duties of convening the shareholders' meeting, and the Audit Committee may convene and preside over the meeting by itself.

Shareholders who individually or collectively hold more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) have the right to request the Board to convene an extraordinary general meeting in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide a written response indicating whether it agree or disagree to convene the extraordinary general meeting within 10 days upon receipt of the request. Where the Board agrees to convene the extraordinary general meeting, a notice of convening the shareholders' meeting shall be issued within 5 days after the resolution of the Board is made, and the changes to the original request in the notice shall be agreed with relevant shareholders. Where the Board does not agree to convene the extraordinary general meeting, or fails to give feedback within 10 days after receiving the request, shareholders individually or collectively holding more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) have the right to propose to the Audit Committee to convene an extraordinary general meeting in writing.

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Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene the shareholders' meeting within 5 days of receiving the request, and the changes to the original request in the notice shall be agreed with relevant shareholders. Where the Audit Committee fails to issue a notice of the shareholders' meeting within the prescribed period, the Audit Committee shall be deemed to not convene or preside over the shareholders' meeting, and the shareholders who individually or collectively hold more than 10% of the Company's shares (including preference shares with voting rights restored, etc.) for more than 90 consecutive days may convene and preside over the meeting on their own.

### **Notice of shareholders' meeting**

The convener will notify shareholders by announcement 20 days before the annual shareholders' meeting, and for the extraordinary shareholders' meeting, shareholders will be notified by announcement 15 days before the meeting. When calculating the starting period, the Company shall not include the date of the meeting. Notice of shareholders' meeting shall be given to shareholders in a manner consistent with the laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The notice of the shareholders' meeting includes the following:

- (1) time, place and duration of the meeting;
- (2) matters and proposals submitted to the meeting for consideration;
- (3) explain in obvious words: All shareholders have the right to attend the shareholders' meeting and can entrust a proxy in writing to attend the meeting and participate in voting. The shareholder's proxy does not have to be a shareholder of the Company;
- (4) equity registration date of shareholders who have the right to attend the shareholders' meeting;
- (5) name and telephone number of the permanent contact person for conference affairs;
- (6) voting time and voting procedures online or by other means.

All specific contents of all proposals shall be fully and completely disclosed in the shareholder meeting notice and supplementary notice.

### **Proposals of shareholders' meeting**

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

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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 have the right to propose proposals to the Company.

Shareholders who individually or collectively hold 1% or more of the Company's shares may make a provisional proposal and submit it in writing to the convener 10 days before the shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within 2 days of receipt of the proposal, announcing the content of the provisional proposal, and the provisional proposal shall be submitted to the shareholders' meeting for deliberation, unless the provisional proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the shareholders' meeting.

Save for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of shareholders' meeting or add new proposals after issuing the notice of shareholders' meeting.

Proposals that are not listed in the notice of shareholders' meeting or do not comply with the provisions of the Articles of Association shall not be voted on and resolutions made by the shareholders' meeting.

### **Delegations of the shareholders' meeting**

Shareholders may attend the shareholders' meeting in person or entrust a proxy to attend and vote on their behalf. Each shareholder has the right to appoint a proxy, but the proxy does not need to be a shareholder of the Company. The proxy may exercise the following rights in accordance with the entrustment of such shareholder:

- (1) the shareholder's right to speak at a shareholders' meeting;
- (2) individually, or collectively with others, request to vote by poll;
- (3) exercise the right to vote by hands or on a poll, unless otherwise prescribed by relevant laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange or other securities regulatory rules of the place where the Company's shares are listed.

If an individual shareholder attends the meeting in person, he/she shall produce his/her identity card or other valid documents or certificates that can identify him/herself, if a shareholder authorizes a proxy to attend a meeting on his/her behalf, the proxy shall produce his/her own valid identity card and the power of attorney from the shareholder.

Legal person shareholders shall be represented by their legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he or she shall present his or her identity card and a valid certificate proving his or

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her qualifications as a legal representative; if a proxy is appointed to attend the meeting, the proxy shall present his or her identity card and a written power of attorney issued by the legal representative of the legal person shareholder unit in accordance with the law (except where the shareholder is a recognized clearing house or its proxy (hereinafter referred to as the "Recognized Clearing House") as defined in the relevant regulations of Hong Kong law in force from time to time or the securities regulatory rules of the place where the Company's shares are listed).

If the shareholder is a Recognized Clearing House (or its proxy), the Recognized Clearing House may authorize one or more persons it considers appropriate to act as its representative at any shareholders' meeting or any creditors' meeting; however, if more than one person is authorized, the power of attorney should specify the number and type of shares for each such person authorized by such authorization. A person so authorized may exercise rights on behalf of a Recognized Clearing House (without showing shareholding certificates, subject to notarized authorization and/or further evidence confirming that it is duly authorized) as if such person were an individual shareholder in the Company.

The power of attorney issued by a shareholder to entrust others to attend the shareholders' meeting shall specify the following contents:

- (1) the name of the trustor, the class and number of shares held in the Company;
- (2) the name of the proxy;
- (3) the matters for proxy and the scope of authorization, specific instructions from shareholders, including instructions to vote for, against or abstain from voting on each and every issue included in the agenda of the shareholders meeting;
- (4) the date of issuance and validity period of the power of attorney;
- (5) signature (or seal) of the trustor. If the trustor is a legal person shareholder, the seal of the legal person entity shall be affixed.

### **Voting on the Shareholders' meeting**

Resolutions of shareholders' meetings are divided into ordinary resolutions and special resolutions.

Ordinary resolutions made on the shareholders' meeting shall be passed by more than half of the voting rights held by shareholders (including shareholders' proxies) present at the shareholders' meeting.

Special resolutions made on a shareholders' meeting shall be passed by more than two-thirds of the voting rights held by shareholders (including shareholders' proxies) present at the shareholders' meeting.

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The following matters shall be passed by ordinary resolutions at the shareholders' meeting:

- (1) work reports of the Board;
- (2) the profit distribution plan and loss recovery plan drawn up by the Board;
- (3) the appointment and removal of members of the Board and their remuneration and payment methods;
- (4) the appointment, dismissal or non-renewal of the accounting firm and its remuneration;
- (5) the annual report of the Company;
- (6) other matters that shall be passed by special resolutions except those stipulated by 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 passed by special resolutions at the shareholders' meeting:

- (1) the Company increases or decreases its registered capital;
- (2) the division, spin-off, merger, dissolution and liquidation of the Company;
- (3) modification of the Articles of Association;
- (4) the Company purchases or sells major assets within one year or the amount of guarantee provided to others exceeds 30% of the Company's latest audited total assets;
- (5) equity incentive plan;
- (6) other matters that are stipulated in laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, as well as those that are determined by the shareholders' meeting to have a significant impact on the Company through ordinary resolutions and need to be passed through special resolutions.

Shareholders (including shareholders' proxies) exercise their voting rights based on the number of voting shares they represent, and each share is entitled to one vote. When voting, shareholders (including shareholders' proxies) with two or more voting rights do not have to vote for, against all voting rights or abstaining from voting. However, the Company's shares held by the Company carry no voting rights, and such shares are not included in the total number of voting shares held by shareholders present.

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When the shareholders' meeting considers major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of separate vote counting shall be disclosed to the public in a timely manner.

The Company's shares held by the Company carry no voting rights, and such shares are not included in the total number of voting shares held by shareholders present.

According to applicable laws and regulations and the Listing Rules of the Hong Kong Stock Exchange, if any shareholder is required to give up voting rights on a certain resolution, or any shareholder is restricted from voting in support of (or against) a certain resolution, such votes cast by such shareholders or their representatives in violation of relevant regulations or restrictions shall not be counted in the total number of shares with voting rights.

If a shareholder violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law by purchasing shares of the Company with voting rights, the shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after purchase and is not included in the total number of shares with voting rights present at the shareholders' meeting.

The Board, independent directors and shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit shareholder voting rights. When soliciting shareholder voting rights, specific voting intentions and other information must be fully disclosed to the persons being solicited. It is prohibited to collect voting rights from shareholders through paid or disguised payment methods. Except for statutory conditions, the

Company may not impose minimum shareholding ratio restrictions on the solicitation of voting rights.

### **DIRECTORS AND THE BOARD**

#### **Directors**

Directors are elected or changed by the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term. The term of directors is three years. Upon expiration of the term, directors may be re-elected.

The term of office of a director shall be calculated from the date of assuming office until the expiration of the term of the current Board. If a director's term of office expires and is not re-elected in time, until the re-elected director takes office, the original director shall still perform his or her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association. Directors may resign before the expiration of their terms of office. A director's resignation shall be submitted in writing to the Company. The resignation shall take effect on the date when the Company receives the

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resignation report. The board of directors shall disclose the relevant situation within two trading days. If the resignation of a director results in the number of directors on the board of the Company being lower than the legally prescribed minimum number, the original director shall continue to perform the duties of a director in accordance with the laws, administrative regulations, departmental rules, the securities regulatory rules of the stock exchange where the Company's shares are listed, and this articles of association until the newly elected director takes office.

A director appointed by the Board to fill a casual vacancy or to increase the number of members of the Board shall hold office for a term commencing from the date of his or her appointment until the first annual general meeting after his or her appointment, and shall be eligible for re-election by then.

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

### **The chairman of the Board**

The Board of the Company has one chairman of the Board in place, and two vice chairmen of board in place. The chairman of the Board and vice chairman of the Board are elected by more than half of all of the directors.

The chairman of the Board exercises the following functions and powers:

- (1) preside over shareholders' meetings and convene and preside over Board meetings;
- (2) supervise and inspect the implementation of Board resolutions;
- (3) other functions and powers granted by the Board.

If the chairman of the Board is unable or fails to perform his or her duties, more than half of the directors shall jointly elect a vice chairman of board to perform such duties; if the vice chairman of the Board is unable or fails to perform his or her duties, more than half of the directors shall jointly elect a director to perform such duties.

### **The Board**

The Board consists of 8 directors, consisting of 3 independent directors.

The Board exercises the following functions and powers:

- (1) convene shareholders' meetings and report work to the shareholders' meeting;
- (2) implement the resolutions of the shareholders' meeting;

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- (3) determine the Company's business plan and investment plan;
- (4) formulate the Company's profit distribution plan and loss recovery plan;
- (5) formulate plans for the Company to increase or reduce its registered capital, issue bonds or other securities and for the listing;
- (6) formulate plans for the Company's major acquisitions, the Company's acquisition of the Company's shares, or merger, division, dissolution and change of form of the Company;
- (7) determine external investments, purchases and sales of assets, pledge of assets, external guarantees, entrusted asset management, connected transactions and external donations of the Company within the scope of the authority granted by shareholders' meeting;
- (8) determine the establishment of the Company's internal management structure;
- (9) determine the appointment or removal of the general manager of the Company, the secretary to the Board and other senior management and to decide on their remunerations and rewards and penalties; to determine the appointment or removal of the deputy general manager, chief financial officer and other senior management of the Company based on the nomination by the general manager and to decide on matters about their remunerations and rewards and penalties;
- (10) formulate the basic management system of the Company;
- (11) formulate proposals for amendment to the Articles of Association;
- (12) manage information disclosure of the Company;
- (13) propose the appointment or removal of the accounting firm for the Company's audit to the shareholders' meeting;
- (14) receive the work report and inspect the work of the general manager of the Company;
- (15) other functions and powers conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

Any matters that are beyond the scope of authorization of the shareholders' meeting shall be submitted for consideration at the shareholders' meeting.

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The Board shall meet at least 4 times a year, once a quarter, at the call of the chairman of the Board. Regular meetings of the Board referred to in this Article shall be notified in writing to all directors fourteen (14) days prior to the meeting.

Shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors or the Audit Committee may propose to convene an extraordinary meeting of the Board. The chairman of the Board shall convene and preside over the Board meeting within 10 days after receiving the proposal.

The methods of notification for the extraordinary meeting of the Board are: telephone notification and/or written notification (including personal delivery, mail, fax, and email). The notification time limit is: to notify all directors five (5) days prior to the meeting. With the unanimous consent of all directors, the convening of an extraordinary Board meeting may not be subject to the aforementioned notification time limit, but this shall be notified all directors promptly, recorded in the Board minutes and signed by all participating directors. The first meeting after the re-election of the Board may be held on the day of re-election, and the time of the meeting is not restricted by the above-mentioned notification method and notification time.

Board meetings should be attended by more than half of the directors. Resolutions made by the Board should be approved by more than half of all directors. Voting on resolutions of the Board is based on one person, one vote.

Directors who are related to the corporates or individuals involved in the matters resolved at the Board meeting shall promptly report to the Board in writing. The related directors may not exercise voting rights on the resolution, nor may they exercise voting rights on behalf of other directors. The Board meeting may be held if more than half of the unrelated directors are present, and resolutions made at the Board meeting shall be passed by more than half of the unrelated directors. If the number of unrelated directors present at the Board is less than 3, the matter shall be submitted to the shareholders' meeting for consideration.

Board meetings shall be attended by the director in person; if a director is unable to attend for any reason, he or she may authorize another director in writing to attend on his or her behalf. The power of attorney shall state the name of the proxy, matters of proxy, scope of authorization and validity period, and shall be signed or stamped by the trustor. Directors who attend meetings on their behalf shall exercise the rights of directors within the scope of authorization. If a director fails to attend a Board meeting or appoint a representative to attend, he or she shall be deemed to have given up his or her right to vote at the meeting.

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## **SUMMARY OF ARTICLES OF ASSOCIATION**

### **Audit Committee of the Board**

The Board of the Company has an Audit Committee in place to exercise the functions and powers of the Board of Supervisors as stipulated in the Company Law.

The Audit Committee consists of three members, who are directors who do not hold senior management positions in the Company, including two independent directors, with an accounting professional among the independent directors serving as the convenor.

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

- (1) disclose financial information in financial accounting reports and periodic reports, internal control evaluation reports;
- (2) appoint or dismiss the accounting firm that undertakes audits of listed companies;
- (3) appoint or dismiss the financial controller of listed company;
- (4) change accounting policies and accounting estimates or correct material accounting errors made for reasons other than changes in accounting standards;
- (5) other matters as stipulated by laws, administrative regulations, CSRC regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Audit Committee meets at least once a quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convenor deems it necessary. Meetings of the Audit Committee may only be held if more than two-thirds of the members are present.

### **Other special committees of the Board**

The Board of the Company sets up other special committees, such as the Nomination Committee, Remuneration Committee and the Strategy and Development Committee, to perform their duties in accordance with the Articles of Association and the authorization of the Board, and the proposals of the special committees shall be submitted to the Board for consideration and decision. The Board shall be responsible for formulating the working procedures of the special committees. The composition of the special committees shall comply with the laws, administrative regulations, departmental rules, the Listing Rules of Hong Kong Stock Exchange and other securities regulatory rules of the place where the Company's shares are listed or the relevant requirements stipulated by the relevant regulatory authorities.

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### Senior management

The Company has general manager and deputy general manager, who are appointed or dismissed by the Board.

The Company has financial officer and Board secretary, whose appointment or dismissal proposed by the general manager to the Board.

The Company's general manager, deputy general manager, financial controller, Board secretary and other senior management are elected for a term of three years, and may be re-appointed.

The general manager is responsible to the Board and exercises the following functions and powers:

- (1) preside over the Company's production, operation and management work, organize the implementation of Board resolutions, and report work to the Board;
- (2) organize and implement the Company's annual business plan and investment plan;
- (3) formulate a plan for the establishment of the Company's internal management organization;
- (4) formulate the Company's basic management system;
- (5) formulate specific regulations of the Company;
- (6) propose to the Board to appoint or dismiss the Company's deputy manager, financial director, Board secretary and other senior management;
- (7) decide on the appointment or dismissal of management personnel other than those who shall be appointed or dismissed by the Board;
- (8) consider and approve general connected transactions other than those connected transactions that are required to be submitted to the Board or the shareholders' meeting for approval in accordance with the Articles of Association;
- (9) consider and approve matters other than those required to be submitted to the Board or the shareholders' meeting for approval in accordance with the Articles of Association, such as major transactions, external investments and external guarantees;
- (10) decide on the establishment of wholly-owned subsidiaries and/or branches of the Company;

## **APPENDIX V**

## **SUMMARY OF ARTICLES OF ASSOCIATION**

- (11) other functions and powers granted by the Articles of Association, securities regulatory rules of the place where the Company's shares are listed or the Board.

The general manager attends Board meetings.

### **QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY**

Persons under any of the following circumstances cannot serve as a director or senior management of the Company:

- (1) have no capacity for civil conduct or have limited capacity for civil conduct;
- (2) if sentenced to a criminal penalty for corruption, bribery, misappropriation of property, misappropriation of property or undermining the order of the socialist market economy, or is deprived of political rights for a crime, and if the execution period has not expired for more than 5 years and the person is sentenced to probation, and it has not been more than 2 years since the expiration of the probation period;
- (3) serving as a director, factory director or manager of a company or enterprise undergoing bankruptcy liquidation, and being personally responsible for the bankruptcy of such company or enterprise, and it has been less than 3 years since the date of completion of the bankruptcy liquidation of such company or enterprise;
- (4) serving as the legal representative of a company or enterprise that has had its business license revoked or ordered to close due to illegal activities with bearing personal responsibility, and it has not been more than 3 years since such company or enterprise was revoked of its business license or ordered to close;
- (5) listed as a dishonest person subject to execution by the People's Court since a relatively large amount of debt has not been paid off when due;
- (6) be taken measures by CSRC to prohibit entry into the securities market with the time limit not expired;
- (7) be recognized as unsuitable to be a director, senior management, etc. of a listed company by the securities regulatory rules of the place where the Company's shares are listed with the time limit not expired;
- (8) other contents stipulated in laws, administrative regulations, departmental rules or securities regulatory rules of the place where the Company's shares are listed.

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## **SUMMARY OF ARTICLES OF ASSOCIATION**

In the event that any shareholder holding 5% or more of the shares of the Company, director or senior management disposes of any shares or other equity securities held by him/her within six months from the date of acquiring, or acquires within six months from the date of disposing, the gains derived therefrom shall belong to the Company and be recovered by the Board of the Company. However, the securities company holds more than 5% of the shares as a result of the purchase of the remaining shares after the underwriting, and other circumstances stipulated by the CSRC shall be excluded. Where the listing rules of the place where the Company's shares are listed contain any other provisions, such provisions shall prevail.

### **FINANCIAL ACCOUNTING SYSTEM**

The Company formulates its financial accounting system in accordance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and regulations of relevant national departments.

The Company prepares annual financial accounting report within four months from the end of each accounting year and interim financial accounting report within two months from the end of the first six months of each accounting year.

The aforesaid financial accounting reports are prepared and published in accordance with the relevant laws, administrative regulations, departmental rules, the Listing Rules of Hong Kong Stock Exchange and other securities regulatory rules of the places where the Company's shares are listed.

Other than the statutory accounting books, the Company will not maintain separate accounting books. The Company's assets are not stored in accounts opened in any individual's name.

When the Company distributes after-tax profits for the year, it shall withdraw 10% of the profits and include them in the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, no further withdrawals may be made.

If the Company's statutory reserve fund is insufficient to make up for losses in previous years, it shall first utilize the current year's profits to make up for the losses before withdrawing the statutory reserve fund in accordance with the provisions of the preceding paragraph.

After the Company withdraws the statutory reserve fund from the after-tax profits, it can also withdraw the discretionary reserve fund from the after-tax profits upon resolution of the shareholders' meeting.

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The remaining after-tax profits after the Company has made up for its losses and withdrawn the reserve fund shall be distributed according to the proportion of shares held by shareholders, unless the Articles of Association stipulated that distribution is not based on the proportion of shareholdings.

If the shareholders' meeting violates the Company Law and distributes profits to shareholders, shareholders shall return the profits distributed in violation of the regulations to the Company. If any loss is 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 will not participate in the distribution of profits.

The Company shall appoint one or more collection agents in Hong Kong for H share shareholders. The collection agent shall collect and keep the dividends distributed by the Company in respect of H shares and other amounts payable on behalf of the relevant H-share holders, to make payments to such H-share holders. The collection agent appointed by the Company shall comply with the requirements of laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

The Company's reserve fund is used to make up for the Company's losses, expand the Company's production and operations, or increase the Company's registered capital.

When the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund should be utilized first; if it still fails to be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve fund is converted to increase the registered capital, the remaining reserve fund will not be less than 25% of the Company's registered capital prior to the conversion.

### **INTERNAL AUDIT**

The Company implements an internal audit system, which specifies the leadership system, duties and responsibilities, staffing, financial guarantee, use of audit results and accountability for internal audit.

The internal audit system of the Company is implemented after approval by the Board.

### **APPOINTMENT OF ACCOUNTING FIRM**

The Company engages an accounting firm that complies with the provisions of the Securities Law to conduct accounting statement audits, net asset verification and other related consulting services. The appointment period is one year and can be renewed.

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The Company's appointment and dismissal of an accounting firm shall be decided on the shareholders' meeting, and the Board may not appoint an accounting firm before a decision is made at the shareholders' meeting.

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

### **MERGERS, DIVISION, CAPITAL INCREASES AND CAPITAL REDUCTIONS**

Company mergers may take the form of mergers by absorption or mergers by new establishment.

When a company absorbs other companies, it is called a merger by absorption, and the absorbed company is dissolved. The merger of two or more companies to establish a new company is a merger by new establishment, and the merging parties are dissolved.

Where the price to be paid for a merger does not exceed 10% of the Company's net assets, the merger may be effected without a resolution of the shareholders' meeting, unless otherwise provided in the Articles of Association. Where a merger of companies pursuant to the preceding paragraph is not resolved by the shareholders' meeting, it shall be resolved by the Board.

If the Company merges, the merging parties shall sign a merger agreement and prepare a balance sheet and property list. The Company shall notify creditors within 10 days from the date of making the merger resolution, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed.

Creditors may require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

If the Company merges, the claims and debts of the merging parties shall be inherited by the continuing company or the newly established company after the merger.

If the Company is divided, its property will be divided accordingly.

If the Company is divided, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days from the date of making the division resolution, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed.

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The debts incurred before the Company is divided shall be jointly and severally liable by the companies after the division. However, this shall not be the case unless otherwise agreed upon in a written agreement between the Company and its creditors regarding debt settlement before the division.

If the Company needs to reduce its registered capital, it must prepare a balance sheet and property list.

The Company shall notify creditors within 10 days from the date of making the resolution to reduce the registered capital at the shareholders' meeting, and shall make an announcement within 30 days in newspapers (or the National Enterprise Credit Information Disclosure System) and the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's official website according to securities regulatory rules of the place where the Company's shares are listed. Creditors have the right to require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

If the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shares held by its shareholders, unless otherwise provided by law 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 148 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not distribute to shareholders, nor may it exempt shareholders from their obligation to pay capital contributions or share payments. If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 173 of the Articles of Association shall not apply, but the announcement of reduction shall be made in the Hong Kong Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) according to securities regulatory rules of the place where the Company's shares are listed, and in newspapers (or the National Enterprise Credit Information Disclosure System) within 30 days from the date when the shareholders' meeting makes a resolution to reduce the registered capital. After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the cumulative amount of the statutory reserve fund and discretionary reserve fund reaches 50% of the Company's registered capital.

If the Company is merged or divided and the registered items are changed, the registration of the change shall be carried out with the Company registration authority in accordance with the law; if the Company is dissolved, the registration of the cancelation of the Company shall be carried out in accordance with the law; if a new company is established, the registration of the establishment of such company shall be carried out in accordance with the law.

If the Company increases or decreases its registered capital, it shall apply for a registration of the change with the Company registration authority in accordance with the law.

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### DISSOLUTION AND LIQUIDATION

The Company will be dissolved for the following reasons:

- (1) the business period stipulated in the Articles of Association expires or other reasons for dissolution stipulated in the Articles of Association occur;
- (2) the shareholders' meeting makes a resolution to dissolve;
- (3) dissolution is required due to company merger or division;
- (4) the business license has been revoked, ordered to close, or revoked in accordance with the law;
- (5) if the Company encounters serious difficulties in its operation and management, and its continued existence will cause heavy losses to the interests of shareholders, and cannot be solved through other means, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the People's Court to dissolve the Company.

If the Company encounters the above-mentioned reasons for dissolution, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten days.

The liquidation team shall exercise the following functions and powers during the liquidation period:

- (1) clean up the Company's properties and prepare a balance sheet and property list respectively;
- (2) notify and announce creditors;
- (3) handle the Company's uncompleted businesses related to liquidation;
- (4) pay the taxes owed and the taxes incurred during the liquidation process;
- (5) clear claims and debts;
- (6) distribute the Company's remaining property after paying off its debts;
- (7) participate in civil litigation activities on behalf of the Company.

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The liquidation team shall notify creditors within 10 days from the date of establishment, and shall publish an announcement within 60 days in newspapers (or the National Enterprise Credit Information Publicity System) and the Hong Kong Stock Exchange's HKExnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) according to the securities regulatory rules in the place where the Company's shares are listed. Creditors shall declare their claims to the liquidation team within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if the notice is not received.

When a creditor declares claims, he or she shall explain the relevant matters of the claims and provide supporting materials. The liquidation team shall register the claims.

During the period of reporting claims, the liquidation team shall not make settlements with creditors.

After cleaning up the Company's assets and preparing a balance sheet and property list, the liquidation team shall formulate a liquidation plan and submit it to the shareholders' meeting or the People's Court for confirmation.

The Company's property is the remaining property after paying liquidation expenses, employees' wages, social insurance fees and statutory compensation, paying taxes owed, and settling the Company's debts respectively, and the Company distributes the remaining property according to the proportion of shares held by shareholders.

During the liquidation period, the Company continues to exist, but it cannot carry out business activities unrelated to the liquidation. The Company's property will not be distributed to shareholders before it is settled in accordance with the provisions of the preceding paragraph.

After clearing the Company's property and preparing a balance sheet and property 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 liquidation of bankruptcy in accordance with the law.

After the People's Court accepts the bankruptcy application, the liquidation team shall transfer the liquidation matters to the bankruptcy administrator designated by the People's Court.

After the Company's liquidation is completed, the liquidation team shall prepare a liquidation report, submit it to the shareholders' meeting or the People's Court for confirmation, and submit it to the Company registration authority to apply for cancelation of the Company registration.

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**SUMMARY OF ARTICLES OF ASSOCIATION**

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**AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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

- (1) after the Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed are revised, the matters stipulated in the Articles of Association contradict with the provisions of the revised laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;
- (2) the Company's situation changes and is inconsistent with the matters recorded in the Articles of Association;
- (3) the shareholders' meeting makes a resolution to amend the Articles of Association.

If the amendments to the Articles of Association passed by the resolution of the shareholders' meeting should be reviewed and approved by the competent authority, they must be reported to the competent authority for approval; if such amendments involve Company registration matters, the registration of the amendments shall be handled in accordance with the law.

The Board amends the Articles of Association in accordance with the resolution of the shareholders' meeting to amend the Articles of Association and the approval of the relevant competent authorities.

Amendments to the Articles of Association are the information required to be disclosed in accordance with the provisions of the laws, regulations or the securities regulatory rules of the place where the Company's shares are listed, and shall be announced as required.