

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix is primarily intended to provide [REDACTED] with an overview of the Articles of Association, the following information is a summary and therefore may not contain all the information that is material to [REDACTED].

SHARE

ISSUANCE OF SHARES

The shares of the Company shall be issued in a fair and equal manner. Each share of the same class shall rank pari passu with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Subscribers shall pay the same price for each share subscribed for.

INCREASE, DECREASE AND REPURCHASE OF SHARES

In light of its operational and development needs, upon resolution of the shareholders’ meeting, the Company may increase capital in the following ways in accordance with the provisions of the laws, administrative regulations and provisions on the regulatory rules of securities of places where shares of companies are listed:

- (i) issue shares to unspecified parties;
- (ii) issue shares to specific targets;
- (iii) issue of stock dividends to existing shareholders;
- (iv) issue of bonus shares out of the paid-in surplus reserve; or
- (v) other means approved by the laws, administrative regulations or approved by other securities regulatory authorities of the place where the shares of the Company are listed.

The board may decide to issue no more than 50% of the issued and outstanding shares in a three-year period. However, the capital contribution in the form of non-monetary assets shall be subject to a resolution passed at the shareholders’ meeting.

The Company may decrease the registered share capital and shall comply with the procedures stipulated in the Company Law and other relevant regulations as well as the Articles of Association.

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The Company shall not acquire its own shares, except in any of the following circumstances:

- (i) to reduce the registered capital of the Company;
- (ii) to merger with other companies holding shares in the Company;
- (iii) to use shares for employee shareholding schemes or as equity incentives;
- (iv) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders' meeting regarding the merger or division of the Company;
- (v) to use the shares to satisfy the conversion of the convertible corporate bonds into shares issued by the Company;
- (vi) to safeguard corporate value and shareholders' interests as the Company deems necessary; or
- (vii) other circumstances permitted by the laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Where the Company acquires its shares under the circumstances prescribed in items (iii), (v) or (vi) as set out above, such acquisition shall be conducted through public centralized trading.

Where the Company acquires its shares under the circumstances prescribed in items (i) and (ii) as set out above, such acquisition shall be resolved at a shareholders' meeting. Where the Company acquires its shares under the circumstances prescribed in items (iii), (v) and (vi) as set out above, such acquisition shall be resolved at a board meeting attended by at least 2/3 of the directors in accordance with the Articles of Association or as authorized by the Shareholders' meeting and in accordance with the applicable securities regulatory rules of the place where the shares of the Company are listed.

Where the Company acquires its shares under the circumstances prescribed in item (i) as set out above, such shares shall be cancelled within ten days from the date of acquisition. Where the shares are acquired under the circumstances prescribed in items (ii) and (iv) as set out above, such shares shall be transferred or cancelled within six months. Where the shares are acquired under the circumstances prescribed in items (iii), (v) and (vi) as set out above, the total number of the shares held by the Company shall not exceed 10% of the total issued shares, and such shares shall be

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transferred or cancelled within three years. If there are other provisions in the laws, regulations and the securities regulatory rules of the place where the shares of the Company are listed on matters relating to the share repurchases, such provisions shall prevail.

TRANSFER OF SHARES

Shares of the Company shall be transferred in accordance with the laws.

- (i) The directors, and senior executives of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. The shares transferrable by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of shares of the same class in the Company. The shares in the Company held by them shall not be transferred within one year from the date on which the Company's shares are listed for trading. The shares in the Company held by them shall not be transferred within half a year from their departure from the Company. In the event that the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the restrictions on the transfer, such rules shall prevail.
- (ii) When shareholders holding more than 5% of the shares, directors and senior executives of the Company sell their shares or other equity securities within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the resulting gains are owned by the Company and the board of directors of the Company shall recover its resulting gains. However, securities companies that hold more than 5% of the shares due to the purchase of the remaining shares after the package sale and other circumstances stipulated by the CSRC are excluded. If there are other securities regulatory rules of the place where the shares of the Company are listed, those regulations shall prevail.

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

Shareholders may require the board of directors of the Company to comply with the item (ii) as set out above within 30 days if the board of directors fails to do so. In the event that the board of directors of the Company fails to rectify the situation within the said timeline, shareholders may file a legal action to the people's court in their own name for safeguarding the interests of the Company.

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If the board of directors of the Company fails to comply with the item (ii) as set out above, relevant responsible directors shall bear joint liability pursuant to the laws.

SHAREHOLDERS AND SHAREHOLDERS’ MEETING

General provisions on the Shareholders’ Meeting

The Company shall set up a register of shareholders based on the certificates provided by the securities registration agency. The register of shareholders shall be sufficient evidence proving the holding of the shares of the Company by a shareholder. A shareholder shall enjoy rights and assume obligations as per the class of the shares held by them. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

The original register of shareholders of H shares listed in Hong Kong shall be kept in Hong Kong and made available for inspection by shareholders, but the Company may suspend the registration of shareholders in accordance with the applicable laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed and pursuant to the provisions of Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Any person who is a shareholder registered on the register of shareholders of H shares or who requests his/her/its name be entered in the register of shareholders of H shares may, if his/her/its share certificate relating to the shares is lost, apply to the Company for a replacement share certificate in respect of such shares. Application by a holder of overseas listed shares, who has lost his/her/its share certificate, for a replacement share certificate may be dealt with in accordance with the law of the place where the original register of shareholders of overseas listed shares is maintained, the rules of the stock exchange or other relevant regulations.

Shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other distributions in proportion to the number of shares held;
- (ii) To request, convene, hold, participate or send proxy to attend shareholders’ meeting and exercise corresponding rights to speak and vote in accordance with the law;
- (iii) To monitor, make suggestions on or question the Company’s operation;
- (iv) To transfer, donate or pledge shares in his/her/its possession in accordance with the law, administrative regulations, and provisions of the Articles of Association;

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- (v) to inspect and duplicate the Articles of Association, the register of shareholders, minutes of shareholders' meeting, resolutions of the meetings of the board of directors, and financial and accounting reports and to make suggestions on or queries pertaining to the business operations of the company. The provisions of the second, third and fourth paragraphs of Article 57 of the Company Law shall apply to shareholders who hold 3% or more of the company's shares singly or jointly for more than 180 days consecutively request to inspect the company's accounting books and accounting vouchers;
- (vi) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in proportion to the number of shares held;
- (vii) the shareholders disagreeing with the merger or separation resolution made by the shareholders' meeting are entitled to ask the Company to acquire their shares; and
- (viii) other rights conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Where a shareholder requests to consult or duplicate the relevant materials of the company, they shall abide by the provisions of the Company Law, the Securities Law and other laws, administrative regulations, and the rules on supervision of securities at the place where the company's shares are listed, etc. Where a shareholder requests to consult or duplicate the relevant information or obtain any of the aforesaid materials, they shall submit to the company written documents that can prove the type and quantity of the company's shares he holds, and the company shall provide the relevant information or materials in accordance with the shareholder's request after verifying the shareholder's identity.

If a resolution passed at the Company's shareholders' meeting or the Board meeting violates laws or administrative regulations, shareholders have the right to institute proceedings before a people's court to render the resolution invalid. If the procedures for convening, or the method of voting at, a shareholders' meeting or a Board meeting violate laws, administrative regulations or the Articles of Association, or a resolution violates the Articles of Association, shareholders are entitled to institute proceedings before a people's court to rescind such resolution within 60 days of the adoption of such resolution, unless the procedures for convening, or the method of voting at, a shareholders' meeting or a Board meeting only contains a minor defect without a substantial impact on the resolution.

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Where directors or senior executives other than the audit committee members contravene the laws, administrative regulations, or the Articles of Association when performing their duties in a company, resulting in losses to the company, shareholders individually or jointly holding 1% or more of shares for more than 180 consecutive days have the right to request the audit committee in writing to file a lawsuit with a people’s court. If a member of the audit committee contravenes the laws, administrative regulations, or the Articles of Association when performing his/her duties in the company, resulting in losses to the company, the aforesaid shareholders may request the board of directors in writing to file a lawsuit with the people’s court.

If the audit committee or board of directors refuses to file a lawsuit after receiving the shareholders’ written request under the preceding paragraph, or does not file a lawsuit within 30 days of receiving the request, or the situation is so urgent that failure to initiate an immediate litigation will lead to irreparable losses suffered by the company, the shareholders under the previous paragraph have the right to directly file a lawsuit with the people’s court in their own name for the interest of the company.

If any other person infringes upon the legal rights and interests of the company, resulting in losses to the company, shareholders may file a lawsuit with a people’s court in accordance.

The obligations of Shareholders are as follows:

- (i) to abide by laws, administrative regulations and the Articles of Association;
- (ii) to provide Share capital according to the Shares subscribed for and Share participation methods;
- (iii) not to return Shares unless prescribed otherwise in laws and administrative regulations;
- (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; and
- (v) to perform other duties prescribed in laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

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Company Shareholder who abuses Shareholders' rights and causes the Company or other Shareholders to suffer a loss shall be liable for making compensation in accordance with the law. Shareholder who abuses the status of the Company as an independent legal entity or the limited liability of Shareholders to evade debts and seriously damages the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLERS

Controlling shareholders and actual controllers of the Company shall comply with the following provisions:

- (i) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their affiliation to prejudice the legitimate interests of the Company or other shareholders;
- (ii) to strictly implement the public statements and undertakings made and shall not change or waive them;
- (iii) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are proposed to occur;
- (iv) not to appropriate the Company's funds in any way;
- (v) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (vi) not to make use of the Company's undisclosed material information to gain benefits, not to disclose in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (vii) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, foreign investment or any other means;
- (viii) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way; and

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- (ix) other provisions of laws, administrative regulations, securities regulatory rules at the place where the Company's shares are listed and these Articles of Association.

Where a controlling shareholder or actual controller of the Company does not act as a director of the Company but actually carries out the affairs of the Company, the provisions of the Articles of Association relating to the duties of loyalty and diligence of directors shall apply.

Where a controlling shareholder or actual controller of the Company instructs a director or senior executive to engage in an act that is detrimental to the interests of the Company or the shareholders, he/she shall be jointly and severally liable with such director or senior executive.

GENERAL RULES OF THE SHAREHOLDERS' MEETING

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

- (i) to elect and replace directors and decide on matters relating to the remuneration thereof;
- (ii) to deliberate and approve the reports of the Board;
- (iii) to deliberate and approve profit distribution plan and loss recovery plan of the Company;
- (iv) to make resolutions on the increase or decrease in the registered capital of the Company;
- (v) to make resolutions on the issue of corporate bonds;
- (vi) to make resolutions on merger, division, spin-off, dissolution, liquidation, or change of the Company's corporate form;
- (vii) to amend the Articles of Association and its appendices (including procedural regulations of shareholders' meeting and board of directors);
- (viii) to make resolutions on hiring and dismissal of the audited accountants of the Company and determining of their compensation;
- (ix) to deliberate and approve the transactions and guarantees under Articles 47 and 48 of these Articles;

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- (x) to deliberate purchases and sales of material assets within a year exceeding 30% of the most recently audited total assets of the Company;
- (xi) to deliberate and approve changes in usage of raised funds;
- (xii) to deliberate share incentive plans and employee stock ownership plans; and
- (xiii) to deliberate other matters which should be decided by the shareholders' meeting as required by the Law, administrative regulations, departmental regulations, securities regulatory rules 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 issuance of bonds. The Company may, with the approval of the shareholders' meeting, or with the approval of the board of directors as authorized by the Articles of Association or the shareholders' meeting, issue shares and convertible bonds, subject to the provisions of laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Unless otherwise provided for in laws, administrative regulations, and securities regulatory rules of the place where the company's shares are listed, the aforesaid functions and powers of a shareholders' meeting shall not be delegated to the board of directors or any other institution or individual to exercise on its behalf.

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

- (i) any guarantee to be provided after the total amount of external guarantees provided by the Company or the subsidiaries it controls has exceeded 50% of its latest audited net assets;
- (ii) any guarantee to be provided after the total amount of external guarantees provided by the Company has exceeded 30% of its latest audited total assets;
- (iii) according to the latest financial statements of the secured party, its asset/liability ratio exceeds 70%;
- (iv) any single guarantee in an amount exceeding 10% of the latest audited net assets of the Company;
- (v) any guarantee provided by the Company to others within one year in an amount exceeding 30% of the latest audited total assets of the Company;

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(vi) any guarantees to be provided for shareholders, actual controllers and their related parties; and

(vii) Other guarantees that shall be examined and approved by the shareholders’ meeting in accordance with the securities regulatory rules of the place where shares of the Company are listed or these Articles of Association.

The guarantee in Item (v) of the preceding paragraph shall be passed by more than two thirds of the voting rights of the shareholders attending the shareholders’ meeting.

When the shareholders’ meeting deliberates on the motion of guarantee for a shareholder, actual controlling party and their related parties, the said shareholder or the shareholders controlled by the said actual controlling party shall not participate in the voting, the motion shall be passed by more than half of the voting rights of the other shareholders attending the shareholders’ meeting.

In the event of violation of the examination and approval authority and deliberate procedures for external guarantee as stipulated in this Article and the Articles of Association, the relevant accountable personnel shall be pursued for liability in accordance with the Company’s External Guarantee Management System.

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

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

- (i) when the number of directors falls short of the statutory number specified in the Company Law or is less than two-thirds of the number specified in the Articles of Association;
- (ii) when the unrecovered losses of the Company amount to one-third of the total share capital;
- (iii) when shareholders individually or together holding 10% or more of the shares of the Company request to hold such a meeting;
- (iv) when the board of directors deems it necessary;

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- (v) when the Audit Committee proposes to hold such a meeting; or
- (vi) other circumstances as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

In the event that an extraordinary shareholders’ meeting is convened at the request of the securities regulatory rules of the place where the shares of the Company are listed, the effective date of the extraordinary shareholders’ meeting may be adjusted in accordance with the clearance progress of the stock exchange where the Company’s shares are listed.

CONVENING OF SHAREHOLDERS’ MEETING

The board of directors shall convene a shareholders’ meeting within the prescribed period. With the consent of more than half of all independent directors, independent directors shall have the right to propose an interim shareholders’ meeting to the board of directors. For such a proposal, the board of directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, issue a written affirmative or negative opinion within ten days after receiving the proposal. If the board of directors agrees to hold the meeting, it shall issue a written affirmative or negative opinion on holding an interim shareholders’ meeting within ten days after receiving the proposal. If the board of directors agrees to hold an interim meeting, it shall issue a notice of holding a shareholders’ meeting within five days after a resolution is made at a meeting of the board of directors; or if the board of directors disagrees to hold the meeting, it shall explain the reasons and announce it.

The audit committee shall have the right to propose an interim shareholders’ meeting to the board of directors, but shall propose it in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, issue a written affirmative or negative opinion within ten days after receiving the proposal. If the board of directors agrees to hold the meeting, it shall issue a notice of holding a shareholder’s meeting within five days after a resolution is made at a meeting of the board of directors, but any modification to the original proposal in the notice shall be subject to the consent of the audit committee. If the board of directors disagrees to hold the meeting or no feedback is provided within ten days after the proposal is received, it shall be deemed that the board of directors is unable to perform or fails to perform the duty of convening the shareholders’ meeting, and the audit committee may convene and preside over the meeting on its own initiative.

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A shareholder holding or shareholders aggregately holding 10% or more of the shares of the Company that request for the holding of an interim shareholders’ meeting with the board of directors shall request it in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, issue a written affirmative or negative opinion within 10 days after receiving the request. If the board of directors agrees to hold the meeting, the board of directors shall issue a notice of holding a shareholder’s meeting within five days after a resolution is made at a meeting of the board of directors, but any modification to the original request in the notice shall be subject to the consent of the relevant shareholder or shareholders. If the board of directors disagrees to hold the meeting or no feedback is provided within 10 days after the request is received, the shareholder holding or shareholders aggregately holding 10% or more of the shares of the Company shall propose the holding of an interim shareholders’ meeting to the audit committee, but shall request it in writing. If the audit committee agrees to hold the meeting, it shall issue a notice of holding a shareholder’s meeting within five days after receiving the request, but any modification to the original request in the notice shall be subject to the consent of the relevant shareholder or shareholders. If the audit committee fails to issue a notice of holding a shareholders’ meeting within the prescribed time limit, it shall be deemed that the audit committee fails to convene and preside over the shareholders’ meeting, and a shareholding holding or shareholders aggregately holding 10% or more of the shares of the Company for 90 consecutive days or more may convene and preside over the meeting on its or their own initiative.

After deciding to convene a shareholders’ meeting on its or their own initiative, the audit committee or a shareholder or shareholders must notify the board of directors in writing and complete the requisite reporting, announcement or filing in accordance with the securities regulatory rules at the place of listing of the Company’s shares and the provisions of the stock exchange. Before the resolution of the shareholders’ meeting is announced, the shares held by the convening shareholder or shareholders shall not be less than 10%. The convening shareholders shall, not later than the date on which the notice of shareholders’ meeting is sent, undertake not to reduce their shareholding in the company during the period from the date on which the shareholders’ meeting is proposed to the date on which the shareholders’ meeting is convened, and make disclosure. The audit committee, or the convening shareholder or shareholders shall, at the time of sending notice of a shareholders’ meeting and announcement of shareholders’ resolution, submit the relevant evidentiary materials to the stock exchange in accordance with the securities regulatory rules on the place where the shares of the Company are listed and the regulations of the stock exchange.

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PROPOSALS AND NOTICES OF SHAREHOLDERS’ MEETING

At a shareholders’ meeting of the Company, the board of directors, the audit committee, and a shareholder holding or shareholders aggregately holding 1% or more of the shares of the Company shall have the right to submit proposals.

A shareholder holding or shareholders aggregately holding 1% or more of the shares of the Company may, 10 days before the shareholders’ meeting is held, submit an interim proposal to the convener in writing. The convener shall issue a supplementary notice of the shareholders’ meeting within two days after receiving the proposal, announce the contents of the interim proposal, and submit the ad hoc proposal to the shareholders’ meeting for deliberation, except for ad hoc proposal that violates laws, administrative regulations, securities regulatory rules where the Company’s shares are listed or the Articles of Association or does not fall under the scope of powers of the shareholders’ meeting.

Except under the circumstances prescribed in the preceding paragraph, after publishing a notice of holding a shareholders’ meeting, the convener shall not amend any proposal specified in the notice or add any new proposal.

Any proposal not specified in the notice of holding a shareholders’ meeting or not complying with these Articles shall not be voted and resolved at the shareholders’ meeting.

The Company shall not raise the shareholding ratio of a shareholder or shareholders submitting an ad hoc proposal.

The convener shall notify all shareholders by means of writing (including public announcement) 21 days prior to the annual shareholders’ meeting (excluding the date on which the meeting is held). An extraordinary shareholders’ meeting will be notified to all shareholders by means of writing (including public announcement) 15 days prior to the meeting (excluding the date on which the meeting is held). When calculating the aforesaid time limit, the day when the meeting is held shall not be included. Where there are different provisions provided by laws, regulations and securities regulatory authorities in the jurisdiction where the shares of the Company are listed, such provisions shall prevail.

Subject to applicable laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed, the notice of a shareholders’ meeting shall be published on the Company’s website or on a website designated by the stock exchange where the Company’s shares are listed. If a public announcement is required to be made to the holders of foreign capital shares listed overseas in accordance with these Articles, the public announcement shall, at the same time,

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be published in accordance with the methods stipulated in the Hong Kong Listing Rules. For the holders of shares that are not listed in our country, the shareholders’ meeting may also be notified through announcement.

A notice of the shareholders’ meeting shall include the following contents:

- (i) the time, venue and duration of the meeting;
- (ii) the person convening the meeting;
- (iii) the matters and proposals to be submitted to the meeting for deliberation;
- (iv) a statement in conspicuous Chinese characters that: all common shareholders (including preferred shareholders whose voting rights are restored), shareholders holding shares with special voting rights, and other shareholders have the right to attend the shareholders’ meeting and may attend the meeting and vote by proxy in writing, and proxies are not necessarily shareholders of the Company;
- (v) the date of record of shareholders entitled to attend the shareholders’ meeting;
- (vi) the name and telephone number of the permanent contact person of meeting; and
- (vii) the voting time and procedures by online or other means.

All the specific contents of all proposals shall be fully and completely disclosed in the notice and supplementary notice of holding a shareholders’ meeting.

HOLDING OF SHAREHOLDERS’ MEETING

All common shareholders (including preferred shareholders whose voting rights are restored) registered at the date of record, shareholders holding shares with special voting rights and other shareholders or their proxies shall have the right to attend a shareholders’ meeting, and exercise voting rights in accordance with the laws, regulations the securities regulatory rules where the Company’s shares are listed and the Articles of Association. (except that the securities regulatory rules where the Company’s shares are listed require any individual shareholder to waive his/her voting rights in respect of a particular matter).

Shareholders may attend a shareholders’ meeting in person or attend and vote at the meeting by proxy. The agent does not need to be a shareholder of the company.

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When personally attending a shareholders' meeting, an individual shareholder shall produce his or her identity card or any other valid identification or certificate that can prove his or her identity. When he or she attends the meeting by proxy, the proxy shall produce his or her valid identification and a power of attorney issued by the shareholder.

The legal representative of a corporate shareholder shall attend the meeting in person or by proxy. When personally attending the meeting, the legal representative shall produce his or her identity card and a valid certificate on his or her qualification as the legal representative; when a proxy attends the meeting, the proxy shall produce his or her identity card and a written power of attorney legally issued by the legal representative of the corporate shareholder, except for shareholder who is a recognized clearing house and its nominees as defined in the relevant ordinances in force from time to time under the laws or the securities regulatory rules of the place where the shares of the Company are listed. If such corporate shareholder has appointed a proxy to attend any meeting, it shall be deemed to be present in person.

The chairman of the board of directors shall preside over a shareholders' meeting. The shareholders' meeting convened by the audit committee on its own initiative shall be presided over by the convener of the audit committee. When the convener of the audit committee is unable to execute or fails to execute his or her office, an audit committee member jointly elected by half or more of all directors of the audit committee shall preside over the meeting. Where a shareholder on its own initiative or shareholders on their own initiative convene a shareholders' meeting, the convener or the representative recommended thereby shall preside over the meeting. Where the presider violates the rules of procedure during the course of a shareholders' meeting, which makes it impossible for the shareholders' meeting to continue, upon consent of a majority of the voting shareholders attending the shareholders' meeting, the shareholders' meeting may recommend one person as the presider to continue the meeting.

The Company shall develop the rules of procedure for shareholders' meetings to detail the procedures for convening, holding and voting at shareholders' meeting, including but not limited to notices, registration, proposal deliberation, casting and counting of ballots, announcement of voting results, formation of resolutions, meeting minutes and the signing thereof, announcements, principles for the shareholders' meeting to delegate powers to the board of directors, and specific content of authorization.

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VOTING AND RESOLUTIONS AT SHAREHOLDERS’ MEETING

The resolutions made at shareholders’ meeting include ordinary resolutions and special resolutions. An ordinary resolution made at a shareholders’ meeting shall be adopted by half or more of the voting rights held by shareholders attending the meeting. A special resolution made at a shareholders’ meeting shall be adopted by two thirds or more of the voting rights held by shareholders attending the meeting.

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

- (i) work reports of the board of directors;
- (ii) profit distribution plans and the loss coverage plans prepared by the board of directors;
- (iii) appointment and removal of members of the board of directors, their remunerations, and the payment methods; and
- (iv) matters other than those which shall be adopted by special resolutions as specified by the laws, administrative regulations or the Articles of Association.

The following matters shall be adopted by special resolutions at a shareholders’ meeting:

- (i) amendment to these Articles of Association and appendices thereto (including procedural rules for the shareholders’ meeting and the board of directors);
- (ii) the increase or reduction of the registered capital of the Company;
- (iii) the division, spin-off, merger, dissolution and liquidation (including voluntary winding-up) of the Company;
- (iv) spin-off listing of its subsidiary companies;
- (v) as provided in Articles 6.1.8 and 6.1.10 of the Listing Rules, the amount of material assets purchased or sold or the amount of guarantee provided to others within 12 consecutive months exceeds 30% of the latest audited total assets of the company;
- (vi) issuance of stocks, convertible corporate bonds, preferred stocks and other types of securities recognized by the securities regulatory body in the jurisdiction where the shares of the company are listed;

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- (vii) repurchase of shares for the purpose of reduction of the registered capital;
- (viii) material assets restructuring;
- (ix) share incentive schemes;
- (x) a shareholders' meeting of the Company resolves to voluntarily withdraw the listing of its shares on the Bourse, and decides not to trade its shares on the Bourse, or to apply for trading or transfer on other stock exchanges;
- (xi) any other matter which the shareholders' meeting considers, by an ordinary resolution, to be of a material impact on the Company and to be adopted by a special resolution; and
- (xii) any other matter required by the law, administrative regulation, securities regulatory rules where the Company's shares are listed, or these Articles, or any other matter which the shareholders' meeting considers, by an ordinary resolution, to be of a material impact on the Company and to be adopted by a special resolution.

The motions referred to in item (iv) or item (x) of the preceding paragraph shall be passed by two-thirds or more of the voting rights held by shareholders present at the shareholders' meeting, and shall also be passed by two-thirds or more of the voting rights held by other shareholders present at the meeting other than directors, senior executives and shareholders who hold 5% or more of the company's shares individually or jointly.

Shareholders shall exercise their voting rights based on the number of shares with voting rights held by them, and each share shall be accorded one vote, except for holders of category shares.

Where material issues affecting the interests of minority shareholders are considered at the shareholders' meeting, the votes of minority shareholders shall be counted separately. The separate votes counting results shall be disclosed publicly in a timely manner.

The Company's own shares held by the Company do not carry voting rights and such shares shall not count towards the total number of shares with voting rights at shareholders' meeting. If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights present at the shareholders' meeting for 36 months after the purchase.

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In accordance with the requirements of relevant laws and regulations and the securities regulatory rules of the place where the Company’s shares are listed, if any shareholder is required to abstain from voting on the relevant proposal, or restricts any shareholder from voting only for or against the designated proposal, any vote taken by such shareholder or his representative in violation of the aforesaid provisions or restrictions shall not be counted in the voting results. The board of directors, an independent director, or a shareholder holding 1% or more of the voting shares of the Company or an investor protection institution formed in accordance with laws, administrative regulations, or the rules of the CSRC may publicly solicit proxies. In proxy solicitation, the voting intention and other relevant information shall be fully disclosed to the shareholders from whom proxy is solicited. Proxy solicitation with the provision of direct or indirect compensation shall be prohibited. The Company shall not impose any minimum shareholding requirement for proxy solicitation, except under statutory conditions.

When matters concerning affiliated transactions are deliberated at a shareholders’ meeting, affiliated shareholders shall vote, and the number of voting shares represented by them shall not be counted in the total number of valid votes. The announcement of resolutions of the shareholders’ meeting shall fully disclose the votes of non-affiliated shareholders.

DIRECTORS AND BOARD OF DIRECTORS

General provisions on directors

Directors may include executive directors, non-executive directors, and independent directors. Non-executive director refers to the director who does not hold any management position in the company. The qualifications, nomination, election procedures, authorities and other relevant matters of an independent director shall be implemented in accordance with the law, the relevant provisions of the regulatory authority in the place where the shares of the company are listed and the relevant provisions of the stock exchange.

The directors of the Company shall be natural persons, but a person who falls under any of the following circumstances shall not serve as a director of the Company:

- (i) the person is without civil conduct capacity or with limited civil conduct capacity;
- (ii) it has not been more than five years since the person’s completion of service of a sentence received for a crime of embezzlement, bribery, appropriation of property, misappropriation of property, or disruption of the economic order of the socialist market, or since the person’s completion of service of a sentence to deprivation of political rights for a crime, or it has not been two years since the date on which the probation period expires, if a probation is announced;

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- (iii) it has not been more than three years since the date of completion of bankruptcy liquidation of the Company or enterprise where the person used to be a director or a factory director or a manager who was personally liable for the bankruptcy of the Company or enterprise;
- (iv) it has not been more than three years since the date of forfeiture of the business license or ordered closedown of the Company or enterprise of which the person used to be the legal representative who was personally liable for the forfeiture of the business license or the ordered closedown of the Company or enterprise for any violation of the law;
- (v) the person fails to repay a relatively large amount of due debts and is listed as a dishonest judgment debtor by a people's court;
- (vi) the person is banned by the CSRC from access to the securities market, and the ban has not expired; or
- (vii) other contents stipulated by laws, administrative regulations or departmental rules or the securities regulatory rules of the place where the shares of the Company are listed.

Where any director is elected or appointed in violation of this article, such election or appointment shall be void. Where any director falls under any of the circumstances as set out in this article during his or her term of office, the Company shall remove him or her from the office and cease his or her fulfillment of duties.

Director shall be elected or replaced by the shareholders' meeting, and may be removed by the shareholders' meeting prior to the expiration of his term of office. Such removal shall take effect on the date of adoption of resolution. Where a director is removed prior to the expiration of his term of office without proper cause, the director may request compensation from the company. The term of office of the directors shall be 3 years. Upon expiration of a director's term of office, he may be reelected according to the securities regulatory rules where the company's shares are listed. Where the securities regulatory rules where the company's shares are listed provide otherwise for the re-election of the director, such provisions shall prevail.

The term of office for directors begins on the date of their appointment and ends when the current board of directors' term expires. If the term of office for directors expires and a timely re-election has not taken place, the outgoing directors shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, and the company's Articles of Association until the newly elected directors take office.

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Senior executives may concurrently hold the office of director, but the total number of directors who concurrently serve as senior executives of the Company and directors who are employee representatives shall not exceed half of the total number of directors of the Company. The Company shall have one staff and workers representative director. Staff and workers' representatives who serve as board directors shall be democratically elected through the staff and workers' congress, the staff and workers' congress, or otherwise, and there is no need to submit to the shareholders' meeting for consideration.

Directors shall comply with laws, administrative regulations, and the Articles of Association, and owe fiduciary duties to the Company. They shall take measures to avoid conflicts of interest between themselves and the Company, and shall not exploit their positions to seek improper benefits. Directors owe the following fiduciary duties to the Company:

- (i) they shall not solicit or accept bribes or other illegal benefits through their authority;
- (ii) they shall not misappropriate Company property or embezzle Company funds;
- (iii) they shall not deposit Company funds into accounts opened in their personal names or in the names of other individuals;
- (iv) they shall not directly or indirectly enter into contracts or transactions with the Company unless they have reported to the board of directors or the Shareholders' meeting and obtained approval through a resolution of the Shareholders' meeting or the board of directors in accordance with the Articles of Association;
- (v) they shall not take advantage of their powers to seek business opportunities belonging to the Company for themselves or others, except for any of the following circumstances:
 - 1. report to the board of directors or the shareholders' meeting and submit them to the board of directors or the shareholders' meeting for resolution in accordance with the provisions of these Articles;
 - 2. according to the law, administrative regulations, securities regulatory rules where the Company's shares are listed or these Articles, the Company cannot use such business opportunities;
- (vi) without reporting to the Board or the shareholders' meeting which shall not be approved by the Shareholders' meeting in accordance with these Articles of Association; not to engage in the business of the same type as the Company for himself or herself or others;

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- (vii) they shall not accept any commissions from others on transactions conducted with the Company;
- (viii) they shall not disclose Company secrets without authorization;
- (ix) they shall not harm the Company's interests through their affiliated relationships; and
- (x) Other fiduciary duties prescribed in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Income obtained by directors in violation of this article shall belong to the Company, and directors who cause any losses to the Company shall assume compensatory liability.

The directors shall abide by the provisions of laws, administrative regulations securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, have a duty of diligence to the Company, and exercise the due care that a manager ordinarily exercises in the best interest of the Company in executing their functions. Directors shall have the following duties of diligence to the Company:

- (i) they shall prudentially, carefully and diligently exercise the rights conferred by the Company to ensure that the business conduct of the Company complies with the laws and administrative regulations of the state and the requirements of various economic policies of the state and the commercial transactions of the Company are within the scope of business indicated in the business license of the Company;
- (ii) they shall fairly treat all shareholders;
- (iii) they shall keep them informed in a timely manner of the operating and management conditions of the Company;
- (iv) they shall confirm in writing and sign the periodic reports of the Company, and ensure the veracity, accuracy and completeness of the information disclosed by the Company;
- (v) they shall honestly provide relevant information and materials to the audit committee, and shall not hinder exercise of functions by the audit committee; and
- (vi) other duties of diligence as prescribed in the Law, administrative regulations, departmental rules, securities regulatory rules of the jurisdiction where the Company's shares are listed and the Articles of Association.

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The Company shall establish a management system for the departure of directors, clearly defining the guarantee measures for holding liable and recovering compensation for unfulfilled public commitments and other outstanding matters. Where a director's resignation takes effect or his or her term of office expires, the director should complete all handover procedures with the board of directors. His or her duty of loyalty towards the company and the shareholders will not be released after the termination of his term of office. His or her duty to keep the company's trade secrets confidential will remain effective after the termination of his term of office until such secrets become public information. The duration of other obligations should be determined in accordance with the principle of fairness, taking it into account of the lapse between the occurrence of relevant events and his departure from office, and the situation and terms under which his relation with the company was terminated. The liability of a director for performing his duties during his term of office shall not be discharged or terminated due to his departure from office.

BOARD OF DIRECTORS

The Company shall have a board of directors. The board of directors shall consist of eight directors, including four independent directors and one staff director. The chairman and a vice-chairman shall be elected by a majority vote of all directors.

The board of directors shall perform the following functions:

- (i) convene a shareholders' meeting and report to the shareholders' meeting on its work;
- (ii) execute the resolutions of a shareholders' meeting;
- (iii) decide the business plans and investment plans of the Company;
- (iv) prepare the profit distribution plans and loss coverage plans of the Company;
- (v) Prepare the Company's plans for increase or decrease of registered capital, issue of bonds or other securities, or listing;
- (vi) draft plans for significant acquisition, purchase of the shares of the Company, merger, division or dissolution of the Company, and change of the form of organization of the Company, and decide on the matters relating to share purchase in accordance with Article 25 (iii), (v), (vi) of these Articles of Association;

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- (vii) as authorized by the shareholders’ meeting, deciding matters concerning foreign investment, acquisition or sale of assets, mortgage of assets, external guarantees, wealth management, and affiliated transactions, among others;
- (viii) decide the internal administrative structure of the Company;
- (ix) decide the appointment or dismissal of the manager, the secretary of the board of directors, and other senior executives of the Company, and decide matters concerning their remuneration, punishment and reward; and according to the nomination by the manager, decide the appointment or dismissal of the deputy managers, chief financial officer, and other senior executives of the Company, and decide matters concerning their remuneration, punishment and reward;
- (x) develop the basic management rules of the Company;
- (xi) prepare plans on the amendment of these Articles;
- (xii) Manage matters concerning information disclosure of the Company;
- (xiii) Propose to the shareholders’ meeting the engagement or replacement of the accounting firm providing audit services for the Company;
- (xiv) Hear the work reports of the manager of the Company and inspecting the manager’s work;
- (xv) in accordance with Article 23 of these Articles, issue shares not exceeding 50% of the total shares issued within a three-year period; and
- (xvi) other functions and powers conferred by the Law, administrative regulations, departmental rules, securities regulatory rules in the place where the Company’s shares are listed, the Articles of Association or the Shareholders’ meeting.

Matters beyond the scope of authority granted by the shareholders’ meeting shall be submitted for consideration at the shareholders’ meeting.

Where a director of a listed company is affiliated to an enterprise or individual involved in a matter to be resolved at a meeting of the board of directors, the director shall submit a written report to the board of directors in a timely manner. The affiliated director may neither exercise his or her voting right on the resolution nor exercise a voting right on behalf of any other director. The meeting may be held when a majority of directors without the aforesaid affiliation are present,

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and the resolution of the meeting must be passed with affirmative votes of a majority of all directors without the aforesaid affiliation. If the number of directors without the aforesaid affiliation present at the meeting is less than three, the matter shall be submitted to the shareholders’ meeting for deliberation. If laws, regulations and the securities regulatory rules of the jurisdiction where the shares of the Company are listed impose any additional restrictions on participation in board meetings and voting by directors, such laws, regulations and rules shall prevail.

INDEPENDENT DIRECTORS

The Company shall establish a special meeting mechanism attended entirely by independent directors. When the board of directors deliberates matters such as affiliated transactions, they shall be approved in advance by a special meeting of independent directors.

The Company shall hold special meetings for independent directors on a regular or irregular basis. The matters listed from subparagraphs (1) to (3) of paragraph 1 of Article 134 and Article 135 of the Articles of Association shall be deliberated by a special meeting of independent directors.

The special meetings of independent directors may study and discuss other matters of our Company as needed.

A special meeting of independent directors shall be convened and presided over by an independent director jointly elected by more than half of independent directors. When the convener fails to or is unable to perform his or her duties, two or more independent directors may convene a meeting and elect one representative to preside over the meeting on their own initiative.

Meeting minutes shall be prepared for a special meeting of independent directors as prescribed, and the opinions of independent directors shall be stated in the meeting minutes. Independent directors shall affix signatures to the meeting minutes for confirmation.

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

SPECIAL COMMITTEES OF THE BOARD

The board of directors of the Company shall establish an audit committee to exercise the powers of the board of supervisors as prescribed by the Company Law. The board of directors shall also set up other relevant special committees such as Remuneration and Evaluation, Strategy, Nomination, etc., as needed, to perform their duties in accordance with the Company’s Articles of

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Association and the authorization of the board of directors. All members of the special committees shall be composed of directors. Among them, the number of independent directors in the Audit Committee, Nomination Committee, and Remuneration and Evaluation Committee shall be more than half, and the convener of each of these committees shall be an independent director. The proposals of the special committees shall be submitted to the board of directors for deliberation and decision-making. The working procedures of the special committees shall be formulated by the board of directors.

The members of the audit committee shall consist of 3 directors who do not serve as senior executives in the Company. The number of independent directors shall not be less than two, and the convener shall be an accounting professional among the independent directors.

REMUNERATION ASSESSMENT AND MANAGEMENT MECHANISM FOR DIRECTOR AND SENIOR EXECUTIVE

The remuneration of the Company’s directors and senior executives shall be determined on the basis of the operation and general management of the Company, and shall be comprehensively reviewed by combining the accomplishment of business plans, the duties he/she takes charge of and the accomplishment of work objectives, personal performance of duties and development.

The remuneration of the directors shall be determined by the shareholders’ meeting. The remuneration plan for the senior executives shall be approved by the board, and explained to the shareholders’ meeting.

SENIOR EXECUTIVES

The Company shall have one manager, whose appointment or dismissal shall be decided by the board of directors. The Company shall set up positions of deputy managers, whose appointment or dismissal shall be decided by the board of directors.

The manager shall be responsible to the board of directors, and perform the following functions:

- (i) take charge of the operations and management of the Company, organize the execution of resolutions of the board of directors, and report work to the board of directors;
- (ii) organize the implementation of the annual business plan and investment plans of the Company;
- (iii) draft the internal administrative structure plan of the Company;

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- (iv) draft the basic management rules of the Company;
- (v) develop the specific rules of the Company;
- (vi) propose to the board of directors the appointment or dismissal of deputy managers and the chief financial officer of the Company;
- (vii) decide on the appointment or dismissal of executives other than those whose appointment or dismissal shall be decided by the board of directors;
- (viii) prepare the Company's staff salary, benefits, rewards and penalty system and decide the employment and dismissal of the Company's staff; and
- (ix) other powers authorized by the securities regulatory rules where the Company's shares are listed, the Articles of Association, the Manager's Working Instructions or the board of directors.

The manager shall observe the meetings of the board of directors.

The Company shall have a secretary of the board of directors, who is responsible for the preparations for the meetings of the shareholders' meeting and the board of directors, retention of documents, management of materials on shareholders, and handling of information disclosure and other matters.

The secretary of the board of directors shall abide by the relevant provisions of laws, administrative regulations, departmental rules, and the Articles of Association.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial Accounting System

The Company shall develop the financial accounting rules of the Company in accordance with laws, administrative regulations, and provisions issued by the relevant departments of the state.

The Company shall prepare its annual financial reports within four months following the end of each fiscal year, and such financial reports shall be audited by an accounting firm in accordance with law. The Company shall submit and disclose its annual reports to the securities regulatory authority and stock exchange in the place where the Company's shares are listed within four

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months following the end of each fiscal year, and shall submit and disclose its interim reports to the securities regulatory authority and stock exchange in the place where the Company's shares are listed within two months following the end of the first half of each fiscal year.

The aforesaid annual report and interim report shall be compiled and/or submitted to the shareholders in accordance with relevant laws, administrative regulations, and the provisions of the securities regulatory authorities and the stock exchange where the shares of the Company are listed.

The Company shall not maintain any accounting books other than the statutory accounting books. The funds of the Company shall not be deposited in any account opened in an individual's name.

In the distribution of the after-tax profits of a year, the Company shall set aside 10% of the profits as its statutory surplus reserve. The Company may discontinue setting aside funds of the statutory surplus reserve if the cumulative amount of the statutory reserve is 50% or more of the registered capital of the Company.

Where the statutory surplus reserves of the Company are not adequate to cover losses of previous years, the profits of a year shall be first used to cover losses before the set-aside of the statutory surplus reserves in the preceding paragraph.

After setting aside legal accumulation funds from its after-tax profits, the Company may, upon resolution of the shareholders' meeting, set aside discretionary surplus reserves from its after-tax profits.

After coverage of losses and set-aside of surplus reserves, the remaining after-tax profits shall be distributed in proportion to the shares held by shareholders, unless the Articles of Association provide otherwise.

If the shareholders' meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the regulations to the Company. If losses are caused to the Company, shareholders and the directors and senior executives who are responsible shall assume liability for compensation.

The shares of the Company held by the Company shall not participate in its distribution of profits.

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The Company is required to appoint one or more receiving agent(s) in Hong Kong for shareholders of H shares. The receiving agent(s) shall receive and hold on behalf of such shareholders of H shares any dividends allocated to H shares and other amounts payable by the Company, and transmit such payments to such shareholders of H shares. The receiving agent(s) appointed by the Company shall satisfy the requirements under the laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed.

The Company’s surplus reserves shall be used to cover the losses, expand the operations or increase the registered capital of the Company.

Where surplus reserves are used to cover loss of the Company, the discretionary and statutory surplus reserves shall be first used; and if they are insufficient for covering losses, the capital surplus reserves may be used according to the provisions.

Where the statutory surplus reserves are converted to increase in the registered capital, the remainder of the surplus reserves shall not be less than 25% of the registered capital of the Company before the conversion.

After the shareholders make decisions for distribution of profits in shareholders’ meeting, or after the board of directors formulates a specific plan in accordance with the conditions and upper limit of the interim dividend for the next year that approved by the annual shareholders’ meeting of shareholders, the board of directors must finish distributing the dividends (or shares) within two months.

INTERNAL AUDIT

The Company shall implement an internal audit system, clearly defining the leadership structure, responsibilities and authorities, personnel allocation, financial guarantee, application of audit results and accountability for the internal audit work.

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

APPOINTMENT OF ACCOUNTING FIRM

The Company shall engage an accounting firm in compliance with the provisions of the Securities Law to audit its accounting statements, verify its net assets and provide other relevant advisory services; and the term of appointment shall be one year and renewable.

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Engagement and dismissal of an accounting firm or non-reengagement of an accounting firm shall be decided by a shareholders' meeting. The board of directors shall not appoint an accounting firm prior to a decision by a shareholders' meeting.

The Company shall guarantee the provision of true and complete accounting documents, accounting books, financial accounting reports, and other accounting materials to the accounting firm engaged, and shall not refuse to provide, conceal, or provide false materials.

The auditing fees payable to the accounting firm shall be subject to the decision of the shareholders' board.

Where the Company dismisses or does not renew the engagement of an accounting firm, the Company shall notify the accounting firm 10 days in advance, but when the dismissal of the accounting firm is voted at a shareholders' board, the accounting firm shall be allowed to present its opinion.

If the accounting firm resigns, it shall explain to the shareholders' meeting regarding whether the Company has any non-compliance.

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

Merger, Division, Capital Increase and Capital Decrease

The Company may undergo combination in the form of merger or consolidation. In case of a merger, the Company is absorbed by another company, and the absorbed company is dissolved. In case of consolidation, two or more companies are consolidated into a new company, and all the consolidated companies are dissolved.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date on which it makes a resolution on the merger, and make an announcement in the newspapers designated in Article 183 hereof for information disclosure, the National Enterprise Credit Information Publicity System and website within 30 days from the date on which it makes an announcement. The creditors shall, within 30 days after receiving the notice or within 45 days after the announcement is published in case of a failure to receive the notice, require the Company to pay off debts or provide corresponding guarantees.

Where the Company undergoes combination, the surviving company or the newly formed company shall succeed to the rights and obligations of all parties to the combination.

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Where the Company undergoes division, the property of the Company shall be divided accordingly. In the event of a division of the Company, the Company shall prepare a balance sheet and an inventory of assets. The company shall notify its creditors within ten days of the date on which the split-up resolution is made and shall announce the split-up in the newspapers designated in Article 183 hereof, the National Enterprise Credit Information Publicity System and the website within thirty days.

Where the Company decreases its registered capital, the Company shall prepare a balance sheet and a property checklist. The Company shall notify its creditors within 10 Days from the date on which the resolution of decrease in the registered capital is made at the Shareholders’ meeting, and within 30 Days, make an announcement on the newspapers designated for information disclosure in Article 183 hereof, the National Enterprise Credit Information Publicity System and website. The creditors may, within 30 days of receipt of the notice or within 45 days of issuance of the announcement if they fail to receive the notice, require the Company to repay debts or provide corresponding security.

Where the Company reduces its registered capital, the Company shall reduce the corresponding capital contribution or shares on the basis of the proportion of shares held by shareholders, except as otherwise provided for by the laws or the Articles of Association.

Where any registration information changes as a result of combination or division of the Company, the Company shall undergo the modification registration procedure with the Company registration authority according to the law; and if the Company is dissolved, it shall undergo the Company deregistration procedure according to the law; or if a new company is formed, the formation registration procedure shall be undergone according to the law. In case of increase or decrease of its registered capital, the Company shall undergo the modification registration procedure with the company registration authority according to the law.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (i) the duration of the Company as stated in the Articles of Association has expired or any other cause of dissolution as set out in the Articles of Association have occurred;
- (ii) the shareholders’ meeting of the Company adopts a resolution to dissolve the Company;
- (iii) the merger or division of the Company requires the dissolution of the Company;

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- (iv) the Company forfeits its business license, is ordered to close down, or is abolished according to the law; and
- (v) because the Company is faced with serious difficulties in operation and management, significant losses will be caused to the interests of shareholders if the Company continues to exist, and the situation cannot be solved by any other way, the shareholders holding 10% or more of voting rights of the Company may request the people's court to dissolve the Company.

Where any of the causes of dissolution of the Company set out in the preceding paragraph occurs, the Company shall, within ten days, publish the cause of dissolution through the National Enterprise Credit Information Publicity System.

Where the Company falls under the circumstances as stipulated in items (i) and (ii) as set out above and has not yet distributed property 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 under the preceding paragraph or adoption of a resolution at a shareholders' meeting must be adopted with two thirds or more of the voting rights held by shareholders attending the shareholders' meeting.

The Company shall conduct liquidation for undergoing dissolution pursuant to the provisions of items (i), (ii), (iv), and (v) as set out above. Directors, as the liquidation obligors of the Company shall, within 15 days of occurrence of the cause of dissolution, form a liquidation group to conduct liquidation. The liquidation group are composed of directors, except as otherwise prescribed in the Articles of Association or unless any other person is selected through a resolution of the shareholders' meeting. Where the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing any loss to the Company or any creditor, the liquidation obligors shall assume liability for compensation.

The liquidation group shall notify creditors within 10 days from the date of its establishment and make an announcement on the newspapers designated in Article 183 hereof for information disclosure, the National Enterprise Credit Information Publicity System and website within 60 days from the date of its establishment. The creditors shall, within 30 days of receipt of the notice or within 45 days of issuance of the announcement if they fail to receive the notice, declare their claims to the liquidation group.

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Where the liquidation group discovers that the property of the Company is not adequate for paying off debts after sorting out the property of the Company and preparing a balance sheet and a property checklist, it shall file a petition with the people’s court for bankruptcy liquidation of the Company according to the law. After the people’s court accepts an application for bankruptcy, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator designated by the people’s court.

Where the Company is declared bankrupt according to the law, it shall undergo bankruptcy liquidation according to laws on bankruptcy of enterprises.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

- (i) after the amendments are made to the Company Law or relevant laws, administrative regulations and securities regulatory rules of the place where the shares of the Company are listed, the provisions of the Articles of Association are in conflict with the amended laws, administrative regulations or securities regulatory rules of the place where the shares of the Company are listed;
- (ii) Any changes of the Company result in inconsistency with the relevant provisions of the Articles of Association; or
- (iii) the shareholders’ meeting decides to amend the Articles of Association.

Where any amendment to the Articles of Association adopted by a resolution of the shareholders’ meeting is subject to the approval of the appropriate authorities, it shall be reported to the appropriate authorities for approval; and if any company registration information is involved, the modification registration procedure shall be undergone according to the law.