

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not include all the information that may be important to investors.

GENERAL PROVISIONS

The Company is a joint stock limited company with perpetual existence and is an independent legal entity.

The entire assets of the Company are divided into equal shares. The Company shall undertake its liabilities with all of its assets, while the liability of a shareholder of the Company shall be limited to the shares subscribed by him/her.

BUSINESS PURPOSE AND SCOPE

The Company's business purpose: our foremost pursuit is to wholeheartedly satisfy customer needs. Through continuous innovation and an unyielding spirit of perseverance, we develop advanced core packaging and testing technologies, thereby establishing the Company as a world-class enterprise in this field.

SHARES

Share Issuance

The Shares of the Company are issued in the form of stock certificates.

The issuance of the Shares of the Company shall be conducted according to principles of fairness and impartiality, with each Share of the same class carrying equal rights.

Shares of the same class issued in the same offering shall have identical terms and prices; any entity or individual subscribing for Shares shall pay the same price per Share.

Share Capital Increase, Reduction and Repurchase

Subject to legal and regulatory requirements, the Company may increase its capital through the following methods upon resolution by the shareholders' meeting, based on operational and developmental needs:

- (1) public Share offerings;
- (2) private Share placements;
- (3) distribution of bonus Shares to existing shareholders;
- (4) capitalization of reserves;
- (5) other methods prescribed by laws and administrative regulations, or approved by relevant authorities.

The Company may reduce its registered capital. Any reduction shall be conducted in accordance with the Company Law, other relevant provisions, this Articles of Association, and procedures agreed between the Company and its shareholders.

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

- (1) to reduce the Company's registered capital;
- (2) to merge with another company holding Shares in the Company;
- (3) to use Shares for employee share ownership schemes or equity incentive plans;
- (4) where shareholders objects to a resolution passed by the shareholders' meeting concerning the Company's merger or division and requests the Company to acquire their Shares;
- (5) conversion of corporate bonds issued by the Company that are convertible into Shares;
- (6) where necessary to safeguard the Company's value and shareholders' interests.

The Company may acquire its own Shares through a tender offer, open and centralized transactions, or other methods recognized by laws, administrative regulations, and the CSRC.

Where the Company repurchases its own Shares pursuant to any of the circumstances prescribed in item (3), (5) and (6) of the first paragraph of Article 22 of the Articles of Association, such repurchase shall be conducted through open and centralized transactions.

Where the Company repurchases its own Shares out of the circumstances as stipulated in item (1) and (2) of the first paragraph of Article 22 of the Articles of Association shall be subject to a resolution at the shareholders' meeting; where the Company acquires its own Shares due to the circumstances specified in item (3), (5) and (6) of the first paragraph of Article 22 of the Articles of Association, such acquisition may be authorized by a resolution of the Board of Directors, attended by not less than two-thirds of the Directors, in accordance with the Articles of Association or the authorization of the shareholders' meeting.

Following the acquisition of the Shares of the Company in accordance with the first paragraph of Article 22 of the Articles, where the acquisition falls under item (1), such Shares shall be canceled within ten days from the date of acquisition; where the acquisition falls under item (2) or (4), such Shares shall be transferred or canceled within six months; where the acquisition falls under item (3), (5) or (6), the aggregate number of Shares held by the Company shall not exceed 10% of the total issued share capital of the Company, and such Shares shall be transferred or canceled within three years.

Transfer of Shares

Shares in the Company may be transferred in accordance with the law, except where otherwise agreed between all shareholders and the Company.

The Company shall not accept its own Shares as collateral for pledges.

Shares issued prior to the Company's [REDACTED] on a securities exchange may not be transferred within one year from the date of [REDACTED]. Where laws, administrative regulations, or the securities regulatory authority of the State Council provide otherwise concerning the transfer of Shares held by shareholders or actual controllers of the Company, such provisions shall prevail.

Directors, supervisors, and senior management personnel of the Company shall declare to the Company their holdings of the Shares of the Company and any changes thereto. During the term of office determined upon appointment, the Shares transferred annually shall not exceed 25% of the

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total number of Shares of the same class held by them in the Company. Shares held in the Company shall not be transferred within 1 year from the date of [REDACTED] of the Shares of the Company. Within six months after leaving office, the above-mentioned personnel shall not transfer the Shares of the Company held by them.

Where the Shares are pledged within the transfer restriction period as prescribed by laws and administrative regulations, the pledgee may not exercise the pledge right within the transfer restriction period.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall maintain a register of shareholders, which shall constitute conclusive evidence of a shareholder's holding of Shares in the Company. Shareholders shall enjoy rights and bear obligations according to the class of Shares held; Shareholders holding Shares of the same class shall enjoy equal rights and bear the same obligations.

When the Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation, or engages in other activities requiring confirmation of shareholder identity, the Board of Directors or the convener of the shareholders' meeting shall determine a record date. Shareholders registered on the record date shall be deemed entitled to the relevant rights and interests.

Shareholders of the Company shall enjoy the following rights:

- (1) to receive dividends and other forms of distribution of benefits in proportion to their shareholding;
- (2) to lawfully request, convene, preside over, attend, or appoint proxies to attend shareholders' meetings, and exercise corresponding voting rights;
- (3) to supervise the Company's operations, and to make suggestions or raise questions;
- (4) to transfer, donate or pledge the Shares held by them in accordance with laws, administrative regulations and the Articles of Association;
- (5) to inspect and make copy of the Company's articles of association, register of shareholders, minutes of shareholders' meetings, resolutions of board meetings, decisions of the board of supervisors, and financial accounting reports;
- (6) to participate in the distribution of the Company's residual assets upon its dissolution or liquidation, in proportion to their shareholding;
- (7) for shareholders who object to resolutions passed by the shareholders' meeting concerning the merger or division of the Company, to request the Company to purchase their shares;
- (8) other rights stipulated by laws, administrative regulations, departmental rules, the Articles of Association, or otherwise agreed between all shareholders and the Company.

Shareholders requesting access to the information or materials specified in the preceding Article shall provide the Company with written documentation proving the class and number of Shares held. Upon verification of the shareholder's identity, the Company shall provide such information or materials as requested.

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Where a shareholder holding, either individually or in aggregate, more than three per cent of the Shares of the Company for a continuous period of one hundred and eighty days or more requests to inspect the Company's accounting books and accounting vouchers, such shareholder shall submit a written request to the Company stating the purpose thereof. Where the Company has reasonable grounds to believe that a shareholder's purpose in inspecting accounting books or accounting vouchers is improper and may harm the Company's lawful interests, it may refuse such inspection. The Company shall provide a written response to the shareholder within fifteen days of the shareholder's written request, stating the reasons. Should the Company refuse inspection, the shareholder may bring proceedings before the People's Court.

Where a shareholder holding, either individually or in aggregate, more than three per cent of the Shares of the Company for a continuous period of one hundred and eighty days or more requests to inspect the Company's accounting books and accounting vouchers, such shareholder may appoint an intermediary institution such as an accounting firm or law firm to do so. Shareholders and their appointed intermediaries, such as accounting firms and law firms, shall comply with relevant laws and administrative regulations concerning the protection of state secrets, commercial secrets, personal privacy, and personal information when inspecting or copying relevant materials.

Where a shareholder requests to inspect or reproduce materials relating to a wholly-owned subsidiary of the Company, the provisions of the preceding three paragraphs shall apply.

Where resolutions passed at shareholders' meetings or board meetings contravene laws or administrative regulations, shareholders shall have the right to petition the People's Court to declare such resolutions invalid.

Where the convening procedures or voting methods of shareholders' meetings or board meetings contravene laws, administrative regulations, or the Articles of Association, or where the content of resolution violates the Articles of Association, shareholders may apply to the People's Court for revocation within 60 days from the date of the resolution. This shall not apply where the convening procedures or voting methods of the shareholders' meeting or board meeting involve only minor defects that did not materially affect the resolution.

Shareholders who were not notified to attend a shareholders' meeting may, within sixty days of the date on which they knew or ought to have known of the adoption of the resolution, apply to the People's Court for its revocation. Where the right of revocation is not exercised within one year of the date of adoption of the resolution, that right shall be extinguished.

Resolutions of the shareholders' meeting or Board of Directors shall be invalid in any of the following circumstances:

- (1) where no shareholders' meeting or board meeting was convened to adopt the resolution;
- (2) where no vote was taken on the resolution at the shareholders' meeting or board meeting;
- (3) where the number of persons present or the number of votes held at the meeting did not meet the quorum or voting rights threshold stipulated in the Articles of Association;
- (4) where the number of persons or votes in favor of the resolution did not meet the quorum or voting rights threshold stipulated in these Articles of Association.

Where directors or senior management personnel violate laws, administrative regulations, or the provisions of the Articles of Association while performing their duties, thereby causing losses to the Company, shareholders holding 1% or more of the Shares of the Company individually or collectively for a continuous period of 180 days or more may submit a written request to the supervisors to initiate legal proceedings before the People's Court. Where supervisors violate laws,

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administrative regulations, or the provisions of the Articles of Association while performing their duties, thereby causing losses to the Company, shareholders may submit a written request to the Board of Directors to initiate legal proceedings before the People's Court.

Where the supervisors or the Board of Directors, upon receiving the written request from shareholders as prescribed in the preceding paragraph, refuse to initiate legal proceedings, or fail to initiate proceedings within 30 days of receiving the request, or where circumstances are urgent and failure to initiate proceedings immediately would cause irreparable damage to the Company's interests, the shareholders specified in the preceding paragraph shall have the right to initiate legal proceedings directly in their own name before the People's Court for the benefit of the Company.

Where a third party infringes upon the lawful rights and interests of the Company, causing loss to the Company, the shareholders referred to in the first paragraph of this Article may bring legal proceedings before the People's Court in accordance with the provisions of the preceding two paragraphs.

Where directors, supervisors, or senior management personnel of a wholly-owned subsidiary of the Company violate laws, administrative regulations, or the provisions of the Articles of Association in the performance of their duties, causing loss to the Company, or where a third party infringes upon the lawful rights and interests of the wholly-owned subsidiary, causing loss, shareholders who, individually or collectively, hold more than 1% of the Shares of the Company for a continuous period of 180 days or more may, in writing, request the board of supervisors or Board of Directors of the wholly-owned subsidiary to initiate legal proceedings in the People's Court in accordance with the provisions of the preceding three paragraphs, or may initiate legal proceedings directly in their own name in the People's Court.

Where directors or senior management personnel violate laws, administrative regulations, or the provisions of the Articles of Association, thereby harming the interests of shareholders, shareholders may bring legal proceedings before the People's Court.

Shareholders of the Company shall undertake the following obligations:

- (1) to comply with laws, administrative regulations, and the Articles of Association;
- (2) to pay the share capital in accordance with the Shares subscribed and the method of shareholding;
- (3) except as provided by laws or regulations, not to withdraw their share capital;
- (4) shall not abuse shareholder rights to the detriment of the Company or other shareholders; nor shall they abuse the Company's independent legal status and shareholders' limited liability to the detriment of the Company's creditors;
- (5) shall fulfill other obligations prescribed by laws, administrative regulations, and the Articles of Association.

Where shareholders abuse shareholder rights causing loss to the Company or other shareholders, they shall bear liability for compensation in accordance with the law.

Where shareholders of the Company abuse the Company's independent status as a legal person and the limited liabilities of shareholders for the purposes of evading repayment of debts, thereby seriously damaging the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company. Where shareholders of the Company take advantage of the two or more companies under their control in committing the foregoing acts, each company shall be held jointly liable for the debts of any of them.

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Where shareholders holding more than 5% of voting shares of the Company pledge shares held by them, they shall make written reports to the Company on the day on which they pledge their shares.

Where the controlling shareholder or actual controller of the Company does not serve as a director but actually manages the Company's affairs, they shall owe a duty of loyalty to the Company. They shall take measures to avoid conflicts between their own interests and those of the Company and shall not use their position to obtain improper benefits. They shall owe a duty of diligence to the Company. In performing their duties, they shall exercise the reasonable care ordinarily expected of a manager acting in the best interests of the Company.

The controlling shareholder and actual controller of the Company owe fiduciary duty to the Company and its shareholders. The controlling shareholders shall exercise their rights as capital contributors in strict accordance with laws, and the controlling shareholders shall not impair the legitimate rights and interests of the Company and the shareholders by means such as distribution of profits, reorganization of assets, external investment, misappropriation of assets, loan or guarantee, nor make use of their controlling position to impair the interests of the Company and the shareholders.

Where a controlling shareholder or actual controller of the Company instructs directors or senior management to engage in conduct detrimental to the Company or its shareholders, they shall bear joint and several liability with such directors or senior management.

The Company shall prevent its shareholders and related parties from directly or indirectly appropriating the capital and resources of the Company through various means, except in compliance with the relevant requirements of applicable laws, administrative regulations and the Articles of Association.

General Provisions on Shareholders' Meetings

The Shareholders' Meeting is the power organ of the Company and shall exercise the following authorities in accordance with the law:

- (1) to elect and replace directors and supervisors who are not representatives of the employees, and to decide on their remuneration;
- (2) to consider and approve the report of the Board of Directors;
- (3) to consider and approve the reports of the supervisors;
- (4) to consider and approve the Company's profit distribution plan and the plan for making up losses;
- (5) to pass resolutions on the increase or decrease of the Company's registered capital;
- (6) to pass resolutions on the issuance of corporate bonds;
- (7) to pass resolutions on the merger, division, dissolution, liquidation of the Company or the change of the Company's form;
- (8) to amend the Company's Articles of Association;
- (9) to make resolutions on the appointment and dismissal of the accounting firms that undertakes the auditing services of the Company;
- (10) to consider and approve the guarantee matters specified in Article 39;

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- (11) to consider matters concerning the Company's purchase and sale of major assets within one year, where the value of such assets exceeds 30% of the Company's latest audited total assets;
- (12) to consider and approve matters concerning the change of the use of raised funds;
- (13) to consider the equity incentive plan and the employee shareholding plan;
- (14) to consider other matters that shall be decided by the shareholders' meeting as required by laws, administrative regulations, departmental rules or the Articles of Association.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bond.

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

- (1) a single guarantee with an amount exceeding 10% of the Company's latest audited net assets;
- (2) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets;
- (3) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 30% of the Company's latest audited total assets;
- (4) any guarantees according to the principle of cumulative calculation within 12 consecutive months has exceeding 30% of the Company's latest audited total assets;
- (5) any guarantees provided for a guarantor with a gearing ratio of over 70%;
- (6) any guarantee provided for shareholders, actual controllers and their related parties;
- (7) other guarantees as required by laws and regulations or the Articles of Association.

External guarantee matters subject to shareholders' meeting deliberation shall be approved by a majority of all directors and additionally by more than two-thirds of directors present at the board meeting. When the shareholders' meeting deliberates on guarantee matters under sub-paragraph (4) above, approval shall be granted by a majority of not less than two-thirds of the voting rights held by shareholders present at the meeting.

When the shareholders' meeting deliberates on a proposal to provide guarantees for shareholders, actual controllers, or their affiliates, the relevant shareholder or shareholders controlled by the actual controller shall not participate in the vote on that matter. The proposal shall be passed by a majority of the voting rights held by other shareholders present at the shareholders' meeting. Where the Company provides guarantees for the controlling shareholder, actual controller and their affiliates, the controlling shareholder, actual controller and their affiliates shall provide counter-guarantees.

Transactions between the Company and its controlling subsidiaries or other entities under its control within the scope of consolidated statements, or transactions between the said controlling subsidiaries or other entities under its control, shall be exempted from the requirements of disclosure and fulfillment of the corresponding procedures in accordance with the Articles of Association, except as otherwise provided by laws and regulations.

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The following transactions of the Company shall be subject to approval by the shareholders' meeting (excluding the provision of guarantees or financial assistance):

- (1) where the total assets involved in the transaction (where both book value and appraised value exist, the higher value shall prevail) account for more than 50% of the Company's latest audited total assets;
- (2) where the net asset value of the subject matter of the transaction (e.g., equity) (where both book value and appraised value exist, the higher value shall prevail) accounts for more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;
- (3) where the transaction consideration (including assumed liabilities and expenses) represents more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;
- (4) where the profit generated by the transaction represents more than 50% of the Company's latest audited net profit for latest accounting year, and the absolute amount exceeds RMB5 million;
- (5) where the relevant operating income of the subject matter of the transaction (e.g. equity) in the latest accounting year accounts for more than 50% of the audited operating income of the Company in the latest accounting year, and the absolute amount exceeds RMB50 million;
- (6) where the relevant net profit of the subject matter of the transaction (e.g. equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB5 million.

Where the data pertaining to the indicators listed in item (1) to (6) above are negative values, their absolute values shall be used for calculation.

The term "transaction" as used herein encompasses the following types of matters: 1. purchase or sale of assets; 2. external investments (including entrusted financing, investment in subsidiaries, etc.); 3. provision of financial assistance (including interest bearing or non-interest bearing loans and entrusted loans, etc.); 4. provision of guarantees (including those for the controlling subsidiaries, etc.); 5. lease or rental of assets; 6. management of assets and operations by consignment or commission; 7. donating or receiving assets as a gift; 8. restructuring of claims or debts; 9. execution of licensing agreements; 10. transfer or acquisition of research and development projects; 11. waiver of rights (including waiver of preemptive right, priority for invited capital contribution and other rights); 12. transactions recognized by laws, regulations or the Articles of Association.

Transactions falling under any of the following circumstances may be exempt from submission to the shareholders' meeting for deliberation: 1. transactions of the Company involving the receipt of cash assets as gifts or debt relief, which do not involve consideration payments and are not subject to any obligations; 2. transactions of the Company that only meet the criteria specified in item (4) or (6) of the first paragraph of Article 42, and the absolute value of the Company's earnings per share in the latest fiscal year is less than RMB0.05.

Transactions between the Company and its related parties (including assumed liabilities and expenses) exceeding RMB30 million and representing more than 5% of the absolute value of the Company's latest audited net assets shall be submitted to the shareholders' meeting for deliberation.

Transactions between the Company and its related parties that comply with applicable laws and regulations may be exempted from deliberation as related party transactions.

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Shareholders' meetings shall be divided into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once annually and shall be held within 6 months following the conclusion of the preceding financial year.

In case any of the following circumstances occurs, the Company shall convene an extraordinary shareholders' meeting within 2 months as of the date when the relevant fact occurs:

- (1) when the number of directors is less than the statutory minimum number specified in the Company Law or two-thirds of that specified in the Articles of Association;
- (2) when the Company's uncovered losses reach one-third of the total share capital;
- (3) upon request by shareholders holding individually or collectively 10% or more of the Shares of the Company;
- (4) when the Board of Directors deems it necessary;
- (5) when the board of supervisors propose to convene the meeting;
- (6) in other circumstances as provided for by laws, administrative regulations, departmental rules, or the Articles of Association.

The venue for the Company's shareholders' meetings shall be: the place of its domicile or such other place as may be designated by the Board of Directors.

Shareholders' meetings shall be convened in the form of an in-person meeting with a physical venue established. The Company shall also provide electronic communication methods to facilitate shareholders' participation in shareholders' meetings. Shareholders participating in shareholders' meetings through the aforementioned methods shall be deemed to be present.

Convening of the Shareholders' Meeting

Shareholders' meetings shall be convened by the Board of Directors, and presided over by the chairman of the Board. In the event that the chairman is incapable of performing or fails to perform his/her duties, a director nominated by more than half of the directors shall preside over the meeting.

Where the Board of Directors fails or refuses to perform its duty to convene a Shareholders' meeting, the Supervisors shall convene and preside over the meeting in a timely manner. If the Supervisors fail to do so, shareholders individually or jointly holding more than 10% of the Company's shares for a continuous period of not less than 90 days may convene and preside over the meeting themselves.

The Supervisors shall have the right to propose that the Board of Directors convene an extraordinary shareholders' meeting, and such proposal shall be submitted to the Board of Directors in writing. The Board of Directors shall, in accordance with applicable laws, administrative regulations, and these Articles of Association, decide within 10 days of receiving the written proposal whether to convene the extraordinary shareholders' meeting and shall provide a written reply to the Supervisors.

If the Board of Directors agrees to convene the meeting, it shall issue a notice of the meeting within 5 days of making that decision. Any changes to the original proposal contained in the notice shall be subject to the consent of the Supervisors.

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Where the Board of Directors refuses to convene an extraordinary shareholders' meeting or fails to respond within 10 days of receiving a request, it shall be deemed to have declined to convene the meeting. In such circumstances, the Supervisors may convene and preside over the meeting themselves.

Shareholders who individually or jointly hold more than 10% of the Company's shares shall have the right to request the Board of Directors or the Supervisors to convene an extraordinary shareholders' meeting, and shall submit such request in writing to the Board of Directors. The Board of Directors or the Supervisors shall, in accordance with applicable laws, administrative regulations, and these Articles of Association, decide within 10 days of receipt of the request whether to convene the extraordinary shareholders' meeting and shall provide a written response to the shareholders.

Where the Board of Directors or the Supervisors consent to convene the extraordinary shareholders' meeting, a notice of meeting shall be issued within 5 days from the date of such decision. Any amendment to the original proposal contained in the shareholders' request shall be subject to the consent of the requesting shareholders.

Where both the Board of Directors and the Supervisors decline to convene the extraordinary shareholders' meeting, or fail to respond within 10 days of receipt of the request, it shall be deemed that neither the Board of directors nor the Supervisors will convene or preside over the meeting. In such circumstances, shareholders who individually or jointly hold more than 10% of the Company's shares for a continuous period of not less than 90 days may convene and preside over the meeting themselves.

Any supervisor or shareholder who convenes an extraordinary shareholders' meeting independently shall notify the Board of Directors in writing.

Before any resolutions are adopted at such Shareholders' meeting, the aggregate shareholding of the convening shareholders shall not be less 10%.

When issuing the notice of the Shareholders' meeting and disclosing the resolutions, the Supervisor or convening shareholders shall submit relevant supporting documents to the Company.

The Board of Directors and the Board secretary shall provide full cooperation in connection with any Shareholders' meeting convened independently by the Supervisors or shareholders, and shall provide the register of members as of the record date.

All reasonable and necessary expenses incurred in connection with Shareholders' meetings convened independently by the Supervisors or shareholders shall be borne by the Company.

Proposals and Notices of the Shareholders' Meeting

The Board of Directors, the Supervisors, and shareholders who individually or jointly hold more than 1% of the Company's shares shall be entitled to propose a resolution to the Company for consideration at the shareholders' meeting of the Company.

Shareholders who individually or jointly hold more than 1% of the Company's shares shall be entitled to propose a resolution in writing to the Board of Directors at least 10 days prior to the convening of the shareholders' meeting. Any proposed resolution shall specify a clear agenda item and the specific matters to be resolved. Upon receipt of such proposal, the Board of Directors shall notify other shareholders within 2 days and submit the interim proposal to the shareholders' meeting for consideration, unless such interim proposal violates laws, administrative regulations, or these Articles of Association, or falls outside the scope of authority of the shareholders' meeting.

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Except as provided in the preceding paragraph, after the notice of the shareholders' meeting has been issued, the convener shall not amend any proposal already included in the notice, nor shall any new proposal be added.

The shareholders' meeting shall not adopt any resolution on matters that are not included in the notice of the meeting.

The convener shall give written notice of the annual shareholders' meeting to all shareholders at least 20 days prior to the convening of the meeting, and written notice of an extraordinary shareholders' meeting at least 15 days prior to the convening of the meeting.

For the purpose of calculating the notice period, the date of the meeting shall not be included in the calculation.

The notice of the shareholders' meeting shall include the following particulars:

- (1) The time, venue, and duration of the meeting;
- (2) The matters and proposals to be submitted for consideration at the meeting;
- (3) A clear statement that all shareholders are entitled to attend the shareholders' meeting and may appoint a proxy in writing to attend and vote on their behalf, and that such proxy need not be a shareholder of the Company;
- (4) The record date for determining shareholders entitled to attend the shareholders' meeting;
- (5) The name and contact number of the permanent contact person responsible for meeting affairs;
- (6) The time and procedures for electronic or other forms of voting.

The notice and any supplemental notice of the Shareholders' meeting shall fully and accurately disclose the specific contents of all proposals to be considered at the meeting.

After the notice of the shareholders' meeting has been issued, the meeting shall not be postponed or canceled without justifiable cause, and the proposals listed in the notice shall not be withdrawn. In the event that the meeting is postponed or canceled, the convener shall provide written notice stating the reasons for such postponement or cancellation at least 2 business days prior to the originally scheduled meeting date.

Where the shareholders' meeting is postponed, the Company shall issue an announcement specifying the rescheduled meeting date.

Convening of Shareholders' Meetings

All shareholders whose names appear on the register of members as of the record date, or their duly appointed proxies, shall be entitled to attend the shareholders' meeting and to exercise their voting rights in accordance with applicable laws, administrative regulations, and these Articles of Association.

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

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When a shareholders' meeting is convened, all Directors, Supervisors, and the Board secretary of the Company shall attend the meeting. The general manager and other senior management personnel shall attend the meeting as non-voting participants, unless prevented from doing so by objective circumstances.

Where the presiding officer violates the rules of procedure during a shareholders' meeting, rendering the meeting unable to proceed, the shareholders present at the meeting holding a majority of the voting rights may, with their consent, elect 1 person to serve as the presiding officer, and the meeting shall continue.

The Company shall establish Rules of Procedure for Shareholders' Meetings, which shall set forth in detail the procedures for convening and voting at such meetings. These shall include provisions for notice, registration, proposal deliberation, voting, ballot counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, as well as the principles for authorizing the Board of Directors by the shareholders' meeting. The scope of such authorizations shall be clearly and specifically defined. The Rules of Procedure for Shareholders' Meetings shall be drafted by the Board of Directors and approved by the shareholders' meeting, serving as an appendix to the Articles of Association.

Voting and Resolutions at the Shareholders' Meeting

Resolutions considered at shareholders' meetings are categorized as ordinary resolutions and special resolutions.

An ordinary resolution at a shareholders' meeting shall be adopted by a simple majority of the voting rights held by shareholders (including proxies) present at the meeting.

A special resolution at a shareholders' meeting shall be adopted by a two-thirds majority or more of the voting rights held by shareholders (including proxies) present at the meeting.

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

- (1) Work reports of the Board of Directors and Supervisors;
- (2) Profit distribution and loss compensation plans proposed by the Board of Directors;
- (3) Appointment, removal, remuneration, and methods of payment for members of the Board of Directors and supervisors;
- (4) Annual reports of the Company;
- (5) Review and approval of other material matters exceeding the investment and decision-making authority of the Board of Directors as stipulated in these Articles of Association;
- (6) Other matters not required by laws, administrative regulations, or these Articles of Association to be adopted by special resolution.

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

- (1) Increase or reduction of the Company's registered capital;
- (2) Company division, spin-off, merger, dissolution, or liquidation;
- (3) Amendments to these Articles of Association;

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- (4) Purchase or sale of major assets, or provision of guarantees within one year where the amount exceeds 30% of the Company's latest audited total assets (calculated based on the higher of total assets or transaction value, and aggregated cumulatively over any consecutive 12-month period by transaction type);
- (5) Adoption of equity incentive schemes;
- (6) Major asset restructuring;
- (7) Other matters as stipulated by laws, administrative regulations, or these Articles of Association, or matters that, as determined by an ordinary resolution of the shareholders' meeting, may have a material impact on the Company and therefore require approval by special resolution.

Specifically, the following matters shall be approved only by unanimous resolution of all shareholders:

- (1) The sale of the entire Company at a valuation below RMB6 billion at the time of sale;
- (2) The relocation of the registered address of the Company, any current or future listed entity controlled or effectively controlled by the Company, or any wholly-owned domestic operating subsidiary of such listed entity (if the listed entity is an overseas entity) outside Pukou District, Nanjing City.

Shareholders (including proxies) shall exercise voting rights in proportion to the number of voting shares they hold, with each share carrying one vote.

Shares held by the Company in its own name shall not carry voting rights, and such shares shall not be included in the total number of voting shares present at the shareholders' meeting.

When the shareholders' meeting considers matters involving connected transactions, related shareholders shall abstain from voting, and the number of voting shares they represent shall not be included in the total number of valid votes. The resolution adopted by the shareholders' meeting shall fully disclose the voting results of the non-connected shareholders.

Recusal and disclosure procedures for related shareholders: Prior to issuing the notice of the shareholders' meeting, the convener shall determine whether the matters proposed for consideration constitute connected transactions in accordance with applicable laws and regulations. If the convener determines that a proposed matter constitutes a connected transaction, the convener shall notify the connected shareholders in writing, and disclose the identity and circumstances of the connected parties involved in the proposed resolutions in the materials distributed for the shareholders' meeting.

BOARD OF DIRECTORS

Directors

A Director of the Company shall be a natural person. Any individual who meets any of the following conditions shall be ineligible to serve as a Director of the Company:

- (1) Lacking full or limited capacity for civil conduct;
- (2) Having been sentenced for crimes such as corruption, bribery, embezzlement, misappropriation of property, or disruption of the socialist market economic order or having been deprived of political rights due to criminal offenses, where the period of service has not yet expired for 5 years, or having been granted probation, where the probationary period has not yet expired for 2 years;

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- (3) Having served as a director, factory manager, or manager of a company or enterprise that underwent bankruptcy liquidation, and bearing personal responsibility for such bankruptcy, where less than 3 years have elapsed since the completion of the bankruptcy liquidation;
- (4) Having served as the legal representative of a company or enterprise whose business license was revoked or which was ordered to close due to violations of law, and bearing personal responsibility for such actions, where less than 3 years have elapsed since the revocation or closure;
- (5) Having been listed by a People's Court as a discredited executor for failure to repay a significant debt upon maturity;
- (6) Being subject to a market entry ban imposed by the CSRC, where the ban period has not yet expired;
- (7) Other circumstances prescribed by laws, administrative regulations, or departmental rules.

The election, appointment, or engagement of any director in violation of this Article shall be invalid.

If a Director becomes subject to any of the above disqualifying circumstances during their term of office, the Company shall remove such director from office.

Directors shall be elected or replaced by the shareholders' meeting and may be removed by the shareholders' meeting before the expiration of their term. The term of office for each director shall be 3 years, and directors may be re-elected upon the expiration of their term.

The term of a Director shall commence on the date of assumption of office and expire upon the conclusion of the term of the current Board of Directors. In the event that a Director's term expires and a new election has not been held in a timely manner, the original Director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected Director assumes office.

A Director may resign before the expiration of their term by submitting a written resignation report to the Board of Directors. The Board of Directors shall notify relevant parties within 2 days of receiving such resignation.

If a director's resignation causes the Board of Directors to fall below the statutory minimum number, the resigning director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected director assumes office.

Except as provided in the preceding paragraph, a Director's resignation shall take effect upon delivery of the resignation report to the Board of Directors.

Upon the effective date of resignation or expiration of term, Directors shall complete all handover procedures with the Board of Directors. A Director's fiduciary duties to the Company and its shareholders shall not automatically terminate upon the end of their term. Their obligation to maintain confidentiality regarding the Company's trade secrets, technical secrets, and other insider information shall remain in effect after their tenure ends, until such information becomes public knowledge. The duration of other obligations shall be determined in accordance with the principle of fairness, taking into account the time elapsed between the occurrence of the relevant event and the director's departure, as well as the circumstances and conditions under which the director's relationship with the Company was terminated.

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Board of Directors

The Company shall establish a Board of Directors, which shall be accountable to the Shareholders' Meeting.

The Board of Directors shall consist of 9 Directors and shall elect one Chairman from among its members. The Board shall comprise executive Directors (including one employee Director democratically elected by the Company's employee representative assembly), non-executive Directors, and independent Directors. The number of independent directors shall be no fewer than 3 and shall constitute no less than one-third (1/3) of the total number of Directors. At least one independent Director shall possess appropriate professional qualifications or expertise in accounting or financial management. All independent Directors shall maintain independence.

Independent Directors shall perform their duties independently and objectively, free from influence of major shareholders, actual controllers, or any other entities or individuals with interests connected to the Company or its major shareholders or actual controllers.

Independent directors shall ensure that they have sufficient time, capacity, and commitment to effectively perform their duties and responsibilities as independent Directors.

The Board of Directors shall exercise the following powers:

- (1) Convene shareholders' meetings and report on its work to the shareholders;
- (2) Implement resolutions adopted by the shareholders' meeting;
- (3) Determine the Company's business plans and investment proposals;
- (4) Formulate the Company's annual financial budget and final accounts;
- (5) Formulate the Company's profit distribution and loss compensation plans;
- (6) Formulate plans for increasing or reducing the registered capital, issuing bonds or other securities, and [REDACTED] of the Company;
- (7) Formulate plans for major acquisitions, repurchase of the Company's own shares, or mergers, divisions, dissolution, and changes in the Company's corporate form;
- (8) Decide, within the scope authorized by the shareholders' meeting, on matters such as the Company's external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions, and external donations;
- (9) Decide on the establishment of the Company's internal management structure;
- (10) Decide on the appointment or removal of the Company's managers, Board secretary, and other senior management personnel, and determine their compensation and disciplinary matters; based on the general manager's nomination, decide on the appointment or removal of deputy general managers, chief financial officer, and other senior management personnel, and determine their corresponding compensation and disciplinary matters;
- (11) Formulate the Company's fundamental management systems;
- (12) Formulate proposals for amendments to these Articles of Association;

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- (13) Oversee and manage the Company's information disclosure matters;
- (14) Propose to the shareholders' meeting the appointment or replacement of the accounting firm responsible for the Company's audit;
- (15) Review work reports from the Company's managers and inspect and evaluate their performance;
- (16) Decide on the provision of collateral or security, including mortgages or pledges of the Company's assets, to secure the Company's financing or loan arrangements;
- (17) Exercise other powers prescribed by laws, administrative regulations, departmental rules, these Articles of Association, or granted by the shareholders' meeting.

Resolutions of the Audit Committee shall be adopted by a majority vote of its members.

Voting on Audit Committee resolutions shall be conducted on a one-person-one-vote basis.

The Board of Directors shall obtain the approval of a majority of all members of the Audit Committee before adopting resolutions on the following matters: (1) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports; (2) engagement or removal of accounting firms responsible for auditing the Company; (3) appointment or removal of the Company's chief financial officer; (4) making changes to accounting policies or accounting estimates, or corrections of material accounting errors for reasons other than amendments to accounting standards; (5) other matters as specified by the securities regulatory authority or the securities regulatory rules applicable to the jurisdiction in which the Company's shares are listed.

The Audit Committee shall consist of no fewer than 3 Directors, all of whom shall be non-executive Directors, with independent directors forming the majority. Members of the Audit Committee shall not hold any other positions within the Company apart from their directorships and shall not have any relationships with the Company that could impair their independent or objective judgment. At least one member of the Audit Committee shall be an independent Director possessing appropriate professional qualifications or expertise in accounting or financial management. The Chairperson (convener) of the Audit Committee shall be an independent Director with accounting expertise.

The Audit Committee shall exercise the following powers and perform the following duties:

- (1) Propose the appointment or replacement of external audit institutions and supervise and evaluate their performance;
- (2) Oversee the formulation and implementation of the Company's internal audit system;
- (3) Communicate with external auditors on material matters as necessary;
- (4) Review the Company's financial information and its disclosure;
- (5) Examine and evaluate the Company's internal control system;
- (6) Review and assess the Company's major connected transactions;
- (7) Report to the Board of Directors on the committee's work, and submit a written report at least once annually;

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- (8) Exercise any other powers delegated by the Board of Directors and perform other duties as stipulated by applicable laws and regulations.

The Board of Directors shall determine the authority and scope for matters involving external investments, asset acquisitions and disposals, asset pledges, external guarantees, entrusted well management, connected transactions, and external donations. The Board shall establish rigorous review and decision-making procedures for such matters. For major investment projects, the Board of Directors shall organize evaluations by relevant experts and professionals and report to the shareholders' meeting for approval.

The Board of Directors shall have the following investment and decision-making authority:

- (1) Review and approve the following non-connected transactions:
 1. Transactions in which the total asset value involved (based on the higher of carrying value or appraised value) exceeds 10% of the Company's latest audited total assets;
 2. Transactions in which the net asset value of the transaction target (such as equity), based on the higher of carrying value or appraised value, exceeds 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;
 3. Transactions in which the total transaction amount (including assumed liabilities and expenses) exceeds 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;
 4. Transactions where the profit generated represents more than 10% of the Company's latest audited net profit, and the absolute amount exceeds RMB1 million;
 5. Transactions in which the revenue generated by the transaction target (such as equity) in the latest fiscal year exceeds 10% of the Company's audited revenue for that fiscal year, and the absolute amount exceeds RMB10 million;
 6. Transactions in which the net profit attributable to the transaction target (such as equity) in the latest fiscal year exceeds 10% of the Company's audited net profit for that fiscal year, and the absolute amount exceeds RMB1 million.

If any of the amounts in the above criteria are negative, their absolute values shall be used for calculation.

- (2) Guarantee matters other than those required to be reviewed by the Shareholders' Meeting as stipulated in these Articles of Association;
- (3) Connected transactions that, in accordance with applicable laws, regulations, and these Articles of Association, shall be reviewed by the Board of Directors;
- (4) Other matters that, in accordance with laws, regulations, and these Articles of Association, are required to be reviewed by the Board of Directors.

Resolutions of the Board of Directors shall, in general, be adopted by a majority vote of all directors. However, the following matters shall be approved by at least two-thirds (2/3) of all directors before implementation:

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- (1) Formulation of plans for increasing or decreasing the Company's registered capital, issuing bonds or other securities, and [REDACTED] the Company;
- (2) Formulation of plans for major acquisitions, repurchase of the Company's own shares, mergers, divisions, dissolution, or changes in the Company's legal form;
- (3) External guarantee matters;
- (4) Formulation of plans for amendments to these Articles of Association;
- (5) Major related-party transactions proposed for submission to the Shareholders' Meeting for consideration;
- (6) Proposals to be submitted to the shareholders' meeting for review and approval by special resolution.

The Board of Directors shall have one Chairman, who shall be elected by a majority vote of all directors.

The Chairman shall exercise the following powers:

- (1) Preside over shareholders' meetings, and convene and preside over meetings of the Board of Directors;
- (2) Supervise and inspect the implementation of resolutions adopted by the Board of Directors;
- (3) Sign the Company's stocks, bonds, and other securities;
- (4) Sign resolutions of the Board of Directors and other documents that require the signature of the Company's legal representative;
- (5) Exercise the powers of the legal representative;
- (6) During emergencies arising from extraordinary natural disasters or other force majeure events, exercise special disposal authority over Company affairs in accordance with legal provisions and in the best interests of the Company, and report promptly to the Board of Directors and the shareholders' meeting thereafter;
- (7) Exercise other powers as may be delegated by the Board of Directors.

Independent Director

The Company shall establish an independent director system in accordance with laws, administrative regulations, departmental rules, management measures stipulated by the State Council's securities regulatory authority, and other relevant provisions, subject to approval by the shareholders' meeting. An independent director refers to a director who does not hold any other position within the Company besides that of director, and who has no direct or indirect interests with the Company, its major shareholders, or actual controllers, nor any other relationship that may impede their ability to exercise independent and objective judgment.

The Company shall establish independent directors among the Board of Directors. The number of independent directors shall not be less than one-third of the Board, and shall not be fewer than three persons, one of whom must possess appropriate professional qualifications or appropriate accounting or equivalent financial management expertise. Independent directors shall perform their

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duties independently, free from influence by the Company's major shareholders, controlling shareholders, actual controllers, or any other entities or individuals with interests in the Company and its major shareholders, controlling shareholders, or actual controllers.

The term of office for independent directors shall be the same as that for other directors of the Company. Upon expiry of their term, they may be re-elected for consecutive terms, provided that the total consecutive tenure shall not exceed six years.

General Manager and Other Senior Management Personnel

The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors.

The Company shall appoint several deputy general managers, one chief financial officer, one Board secretary, and several other senior management personnel as determined by the Board of Directors. Such appointments and dismissals shall be made by the Board of Directors.

Directors may be appointed to concurrently serve as general manager, deputy general manager, chief financial officer, or other senior management personnel.

The provisions of Article 91 of the Articles of Association concerning disqualifications for directors shall apply mutatis mutandis to senior management personnel.

The provisions of Article 93 concerning directors' fiduciary duties and those of item (3), (4), (6) and (8) of Article 94 concerning their duty of diligence shall apply mutatis mutandis to senior management personnel.

The term of office for the general manager shall be three years, and the general manager may be reappointed for successive terms.

The general manager shall be responsible to the Board of Directors and exercise the following powers:

- (1) to preside over the Company's production, operation and management work, organize the implementation of the resolutions of the Board of Directors, and report work to the Board of Directors;
- (2) to organize the implementation of the Company's annual business plan and investment plan;
- (3) to draw up a plan for the establishment of the Company's internal management institutions;
- (4) to draw up the Company's basic management systems;
- (5) to formulate the Company's specific rules and regulations;
- (6) to propose to the Board of Directors the appointment or dismissal of the Company's deputy managers and chief financial officer;
- (7) to decide on the appointment or dismissal of responsible management personnel other than those whose appointment or dismissal shall be decided by the Board of Directors;
- (8) other powers granted by the Company's Articles of Association or the Board of Directors.

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Deputy general managers, chief financial officers, and other senior management personnel designated by the Board of Directors shall be nominated by the general manager and appointed or dismissed by the Board of Directors. Deputy general managers shall assist the general manager in his duties. The Company shall stipulate the appointment and removal procedures of general manager, chief financial director and other senior management personnel and their relationship with the general manager in the working rules for the general manager, and stipulate the powers and responsibilities of the above-mentioned senior management personnel.

The Company shall appoint a Board secretary who shall be responsible for matters such as the preparation for the shareholders' meetings and Board meetings, the safekeeping of documents, and the management of the Company's shareholder information.

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

Supervisor

The circumstances under which individuals may not serve as directors, as stipulated in Article 91 of these Articles of Association, shall also apply to supervisors.

Directors, managers and other senior management personnel shall not concurrently serve as supervisors.

The term of office of supervisors is 3 years. Upon the expiration of the term of supervisor, a supervisor may be re-elected.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Financial Accounting System

The Company formulates its financial and accounting systems in accordance with laws, administrative regulations and the requirements of relevant state departments.

When distributing the current year's post-tax profits, the Company shall set aside 10% of such profits to form the statutory reserve fund. Should the accumulated amount of the statutory reserve fund reach or exceed 50% of the Company's registered capital, no further contributions shall be required.

Where the statutory reserve of the Company is insufficient to cover losses incurred in prior years, losses shall first be offset against the current year's profits before the statutory reserve is set aside in accordance with the preceding paragraph.

Following the extraction of statutory reserves from the Company's post-tax profits, the shareholders' meeting may further resolve to allocate discretionary reserves from the remaining post-tax profits.

The remaining after-tax profits of the Company after offsetting losses and making provisions for reserves shall be distributed among shareholders in proportion to their shareholdings, save as otherwise provided for in the Articles of Association.

Where the Company distributes profits to its shareholders in violation of the provisions of the Articles of Association, the shareholders shall return the profits distributed in violation of the provisions to the Company; and if any losses are caused to the Company, the shareholders and their responsible directors, supervisors and senior management personnel shall be liable for compensation.

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If the shareholders' meeting adopts a resolution on distributing profits, the Board of Directors shall make the distribution within six months from the date on which the resolution is passed at the shareholders' meeting.

Shares of the Company held by the Company do not participate in the distribution of profits.

The Company's reserve fund shall be utilized to offset losses, expand production and operations, or be converted to increase the Company's registered capital.

To make up for the losses of the Company, discretionary reserves and statutory reserves shall be utilized first; should these prove insufficient, capital reserves may be employed in accordance with regulations.

When statutory reserves are converted to increase registered capital, the retained portion of such reserves shall not be less than 25% of the Company's registered capital prior to the conversion.

Following the resolution of the profit distribution plan by the Company's shareholders' meeting, or upon the Board of Directors formulating a specific plan based on the interim dividend conditions and upper limits approved at the annual shareholders' meeting for the following year, the distribution of dividends (or shares) must be completed within six months.

The Company's profit distribution policy is as follows: attach importance to reasonable investment returns to investors and be beneficial to the long-term development of the Company. The Company may distribute dividends in cash or other reasonable ways.

Internal Audit

The Company implements the internal auditing system and appoints full-time auditors to supervise the internal audit of the Company's financial revenues and expenditures and economic activities.

The internal auditing system of the Company and the duties of its auditors shall be implemented after being approved by the Board of Directors. The person in charge of auditing shall be accountable to and report to the Board of Directors.

Engagement of Accounting Firm

The Company shall engage an accounting firm that complies with the provisions of the Securities Law to conduct business such as auditing of accounting statements, verification of net assets, and other related consulting services. The term of engagement is one year and it may be re-engaged.

The engagement of the accounting firm by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the shareholders' meeting makes a decision.

The Company shall ensure that it provides the engaged accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse to provide, conceal, or make false reports of such materials.

The remuneration of the accounting firm shall be decided by the shareholders' meeting.

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MERGER, DIVISION, INCREASE OR DECREASE OF REGISTERED CAPITAL, DISSOLUTION AND LIQUIDATION

Merger, Division, and Increase or Decrease of Registered Capital

The merger of the company may proceed by either merger by absorption or merger by the establishment of a new company.

A company absorbing another company constitutes a merger by absorption, whereby the absorbed company is dissolved. Two or more companies merging to establish a new company constitutes merger by the establishment of a new company, whereby all merging parties 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 of the Company's resolution on merger and shall make an announcement on newspapers that complies with legal provisions or the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's resolution on merger.

Creditors have the right to, within 30 days after receipt of such notice, or within 45 days from the date of the first announcement on newspapers for those who do not receive such notice, demand that the Company repay their debts or provide a corresponding guarantee for such debts.

Upon the merger of companies, the claims and liabilities of the merging parties shall be assumed by the surviving company or the newly established company.

Upon the division of a company, its assets shall be divided accordingly.

Where the Company is divided, a balance sheet and an inventory of assets shall be prepared. The Company shall notify creditors within ten days of the resolution to divide and shall publish an announcement in newspapers that complies with legal provisions or on the National Enterprise Credit Information Publicity System within thirty days.

The liabilities incurred prior to the division shall be jointly and severally borne by the companies resulting from the division. However, this shall not apply where the Company has reached a written agreement with creditors regarding the settlement of debts prior to the division.

When the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify creditors within 10 days of the shareholders' meeting passing the resolution to reduce registered capital, and shall publish an announcement within 30 days in newspapers that complies with legal provisions or on the National Enterprise Credit Information Publicity System. Creditors shall have the right to demand the Company to settle debts or provide corresponding security within 30 days of receiving notification, or within 45 days of the announcement date if no notification was received.

In principle, when reducing its registered capital, the Company shall reduce its Shares proportionally according to the shareholders' shareholdings. However, upon the occurrence of a liquidation event as separately stipulated in a shareholders' agreement signed by all shareholders, the Company may, in accordance with the shareholders' agreement, make targeted reductions to the investor shareholders.

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Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (1) the expiration of the business term stipulated in the Company's Articles of Association or the occurrence of other dissolution events specified in the Company's Articles of Association;
- (2) dissolution upon resolution of the shareholders' meeting;
- (3) dissolution required due to the merger or division of the Company;
- (4) being legally revoked of its business license, ordered to be closed down or being canceled;
- (5) where there are serious difficulties in the Company's operation and management, and the continued existence of the Company will cause significant losses to the interests of the shareholders, and the issue cannot be resolved through other channels, shareholders holding more than 10% of the total voting rights the Company may request the People's Court at the Company's registered location to dissolve the Company.

When the Company encounters the dissolution events specified in the preceding paragraph, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

Where the Company falls under the circumstances specified in the item (1) and (2) of the first paragraph of the preceding Article and has not yet distributed its assets to shareholders, it may continue to exist by amending the Articles of Association or by resolution of the shareholders' meeting.

Amendments to these Articles of Association or resolutions of the shareholders' meeting pursuant to the preceding paragraph shall be passed by a majority of not less than two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

If the Company is dissolved due to the provisions of item (1), (2), (4) and (5) of the first paragraph of Article 179 of the Articles of Association, it shall be liquidated. The directors shall be the persons responsible for the liquidation of the Company and shall form a liquidation committee to conduct the liquidation within fifteen days of the occurrence of the dissolution event. The liquidation committee shall consist of directors, unless otherwise provided for in the Articles of Association or unless the shareholders' meeting resolves to appoint other persons. Where the persons responsible for liquidation fail to perform their liquidation duties in a timely manner, thereby causing loss to the Company or its creditors, they shall bear liability for compensation.

Where the Company is required to undergo liquidation pursuant to the preceding paragraph but fails to establish a liquidation committee within the prescribed timeframe, or fails to conduct liquidation after establishing such a committee, interested parties may apply to the People's Court for the appointment of relevant persons to form a liquidation committee for the purpose of liquidation. The People's Court shall accept such application and promptly organize the liquidation committee to conduct the liquidation.

Where the Company is dissolved pursuant to the provisions of item (4) of the first paragraph of Article 179 of the Articles of Association, the department or company registration authority that makes the decision to revoke its business license, order its closure or revocation may apply to the People's Court to designate relevant personnel to form a liquidation committee to carry out liquidation.

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During the liquidation period, the liquidation committee shall exercise the following functions and duties:

- (1) to ascertain the Company's assets and separately prepare a balance sheet and an inventory of assets;
- (2) to notify creditors by sending notice or by making an announcement;
- (3) to deal with and settle the company's outstanding business deals relating to the liquidation;
- (4) to settle outstanding taxes or the taxes incurred in the liquidation process;
- (5) to ascertain all claims and debts;
- (6) to dispose of the remaining assets of the Company after the repayment of debts;
- (7) to represent the Company in any civil proceedings.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement on newspapers that complies with legal provisions or the National Enterprise Credit Information Publicity System within 60 days from such date. Creditors should, within 30 days after receipt of the notice, or within 45 days from the date of the announcement for those who do not receive the notice, submit their claims to the liquidation committee.

Creditors declaring its claims shall state the relevant particulars of the claim and furnish supporting documentation. The liquidation committee shall register such claims.

During the period for declaring claims, the liquidation committee shall not make any payments to creditors.

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

After paying the liquidation cost, staff salary, social insurance, statutory compensation and the outstanding taxes respectively, and after repayment of its debts, the remaining assets of the Company shall be distributed to the shareholders in proportion to their respective shareholdings.

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

The assets of the Company shall not be distributed to the shareholders before the repayment in accordance with provisions of the preceding paragraph.

Where, after ascertaining the Company's assets, preparing the balance sheet and inventory of property, the liquidation committee finds that the Company's assets are insufficient to discharge its debts, it shall apply to the People's Court for bankruptcy liquidation in accordance with the law.

Upon acceptance of the bankruptcy application by the People's Court, the liquidation committee shall transfer the liquidation affairs to the bankruptcy administrator appointed by the People's Court.

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Following the completion of liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or the People's Court for confirmation. The liquidation committee shall also submit the report to the company registration authority for application for deregistration of the Company.

Members of the liquidation committee shall discharge their liquidation duties with a duty of loyalty and diligence.

Where members of the liquidation committee neglect their liquidation duties and thereby cause loss to the Company, they shall bear liability for compensation; where they cause loss to creditors through willful misconduct or gross negligence, they shall bear liability for compensation.

Where the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

- (1) there is a discrepancy between the provisions of the Articles of Association and those of the laws and administrative regulations after amendments to the Company Law or relevant laws and administrative regulations;
- (2) there are changes in the situation of the Company resulting in inconsistency in relation to that mentioned in the Articles of Association;
- (3) the shareholders' meeting resolves to amend the Articles of Association.

If the amendments upon the resolutions of shareholders' meeting are subject to approval by the competent authorities, such amendments shall be submitted to such competent authority for approval; if registration is necessary for the amendments, such registration shall be carried out in compliance with the relevant laws.

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