

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE. THE INFORMATION IN THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

APPENDIX V

SUMMARY OF THE 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 contain all the information that may be important to [REDACTED].

ISSUANCE OF SHARES

The shares of the Company shall take the form of share certificates.

The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights. Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Subscriber shall pay the same price for each of the shares that it/he/she subscribes for.

The par value shares issued by the Company shall be denominated in RMB.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Increase and Reduction of Shares

The Company may, in accordance with the needs of its business operation and development and in accordance with the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, increase its capital by resolutions of the shareholders' meeting in the following manner:

- (i) issuance of shares to unspecified parties;
- (ii) offering of shares to specified parties;
- (iii) allotment of bonus shares to existing shareholders;
- (iv) conversion of reserve into share capital;
- (v) other methods permitted by laws, administrative regulations, regulations of CSRC and the securities regulatory rules of the place where the Company's shares are listed.

The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law and other relevant regulations, as well as the Articles of Association.

Share Buy-Back

The Company shall not repurchase its shares. However, exceptions are made in any of the following cases:

- (i) to reduce the registered capital of the Company;
- (ii) to merge with other companies that hold shares in the Company;
- (iii) to use the shares for employee shareholding schemes or as share incentives;
- (iv) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders' general meetings on the merger or division of the Company;
- (v) to use the shares to satisfy the conversion of those corporate bonds convertible into share issued by the Company;
- (vi) to safeguard corporate value and shareholders' equity as the Company deems necessary.

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The Company may repurchase its own shares through public centralized trading, or through other means recognized by the laws, administrative regulations and CSRC. Where the purchases of the Company’s shares under any of the circumstances specified in aforesaid items (iii), (v) and (vi), centralized trading shall be adopted publicly. Where the Company purchases its own shares under any of the circumstances specified in the aforesaid items (i) and (ii) shall require a resolution of the shareholders’ meeting. Where the purchases of the Company’s shares under any of the circumstances specified in aforesaid items (iii), (v) and (vi) shall require a resolution of a Board of Directors attended by two-thirds or more of the directors. After the Company purchasing its own shares pursuant to the provisions above, such shares shall be cancelled within 10 days from the date of purchase under the circumstance as described in item (i); such shares shall be either transferred or cancelled within six months under the circumstances as described in items (ii) and (iv); the aggregate number of shares it holds shall not exceed 10% of the total shares in issue of the Company and such shares shall be transferred or cancelled within three years under the circumstances as described in items (iii), (v) and (vi).

Transfer of Shares

The Company’s shares shall be transferred in accordance with the law. Shares already issued by the Company before the [REDACTED] of Shares shall not be transferred within 1 year of the date on which the shares of the Company are listed and traded on the Shanghai Stock Exchange (“SSE”).

The directors and senior management of the Company shall report to the Company the shares of the Company that they hold and the changes in their shareholdings, and shares to be transferred in each year ascertained during their term of service shall not exceed 25% of their total shareholding of the same class in the Company. The shares that they hold in the Company shall not be transferred within 1 year of the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer their shares of the Company within half a year from the date of their resignation. Where laws, administrative regulations or the CSRC imposes other provisions on the transfer of the Company’s shares held by a shareholder, such provisions shall prevail.

Where the Company’s shareholders who hold 5% or more of the Company’s shares, directors and senior management sell the shares or other securities with an equity nature of the Company they hold within six months of the relevant purchase, or purchase any share they have sold within six months of the relevant sale, the proceeds generated therefrom shall be incorporated into the profits of the Company, and the Board of Directors of the Company shall recover the proceeds. However, the following circumstances shall be excluded where a securities company holds 5% or more of the shares of the Company due to its purchase of any remaining shares under best efforts [REDACTED] or where the provisions of the CSRC are applicable.

Shares or other securities with the nature of equity held by directors, senior management and natural person shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, and held by them by using other people’s accounts.

If the Board of Directors of the Company fails to comply with the aforesaid provision, the shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the shareholders are entitled to initiate litigation directly in the People’s Court in their own names for the interest of the Company. And if the Board of Directors fails to implement the aforesaid provisions, the responsible directors shall bear joint and several liabilities in accordance with law.

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SHAREHOLDERS AND SHAREHOLDERS’ MEETINGS

Shareholders

The Company shall establish a register of shareholders based on the certificates provided by the securities registration and clearing institution. The register of shareholders shall be sufficient evidence proving the shareholders’ holding of the Company’s shares. The original register of holders of H Shares shall be maintained in Hong Kong and available for inspection by shareholders, whilst the Company may close the register of members in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the Company’s shares are listed. Shareholders shall enjoy rights and assume obligations according to the class of shares held by him/her. Shareholders who hold existing shares of the same class shall enjoy equal rights and assume the equal obligations.

Shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other forms of profit distributions in accordance with the proportion of the shares they hold;
- (ii) to request to hold, summon, preside over, attend or appoint a proxy to attend shareholders’ meetings in accordance with the law, and exercising the corresponding rights to vote;
- (iii) to monitor the Company’s business operations and make recommendations or queries;
- (iv) to transfer, grant or pledge the shares they hold in accordance with the provisions of the law, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association;
- (v) to inspect and copy the Articles of Association, the register of shareholders, minutes of shareholders’ meetings, resolutions of meetings of Board of Directors and financial accounting reports. Qualified shareholders may inspect the Company’s accounting books and vouchers;
- (vi) to participate in the distribution of the remaining properties of the Company in the event of its termination or liquidation in accordance with the proportion of the shares they hold;
- (vii) to require the Company to acquire their shareholdings in the event of their disagreement to resolutions of the shareholders’ meetings concerning merger or division of the Company;
- (viii) other rights conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.

Shareholders requesting to inspect or copy the relevant materials shall comply with the provisions of the Company Law, the Securities Law and other laws, administrative regulations and the securities regulatory rules of the place where the shares of the Company are listed.

A resolution of the shareholders’ meeting or the Board of Directors may be declared void by the People’s Court upon application from shareholders if the content contravenes the laws or administrative regulations. If the convening procedure or voting method of a shareholders’ meeting or the Board of Directors contravenes the laws, administrative regulations or the Articles, or if the contents of the resolutions of such meetings contravene the Articles, the shareholders can request the People’s Court to revoke the resolution within 60 days of the resolution. However, this does not apply if the convening procedures or voting methods of the shareholders’ meeting or the meeting of Board of Director have only minor flaws that do not have a substantial impact on the resolution.

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The shareholders of the Company shall assume the following obligations:

- (i) to comply with laws, administrative regulations, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association;
- (ii) to pay the share subscription monies based on the shares subscribed for by them and the method of acquiring such shares;
- (iii) not to withdraw the share capital except under the circumstances stipulated by laws and regulations;
- (iv) not to damage any of the interests of the Company or other shareholders by abusing the shareholder’s rights, nor damage the interests of any creditor of the Company by abusing the independent status of the Company as a legal person and limited liability of shareholders;
- (v) other obligations imposed by laws, administrative regulations and the Articles of Association.

Any 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 laws; any shareholder who abuses the status of the Company as an independent legal person and the limited liability of shareholders to evade debts and causes severe harms to the interests of the Company’s creditors shall assume joint and several liabilities for the Company’s debts.

General Requirements of Shareholders’ Meeting

The shareholders’ meeting of the Company shall comprise all shareholders. The shareholders’ meeting shall be the organ with authority of the Company and shall exercise the following duties and powers in accordance with the law:

- (i) to elect and replace directors and to decide on matters relating to their remuneration;
- (ii) to consider and approve reports of the Board of Director;
- (iii) to consider and approve the profits distribution plans and loss recovery plans of the Company;
- (iv) to make resolutions on increasing or reducing the registered capital of the Company;
- (v) to make resolutions on the issuance of corporate bonds;
- (vi) to make resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (vii) to amend the Articles of Association;
- (viii) to make resolutions on the engagement or dismissal of accounting firms that undertake audit work of the Company;
- (ix) to consider and approve of the guarantees stipulated by Article 47 of the Articles of Association;
- (x) to consider the purchase or sale of major assets of the Company in excess of 30% of the Company’s latest audited total assets within one year;
- (xi) to consider and approve changes in the use of proceeds;
- (xii) to consider share incentives plans and employee shareholding schemes;

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- (xiii) to consider other matters on which decisions shall be made by the shareholders’ meeting as required by laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.

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

The annual shareholders’ meeting of the Company may authorize the Board of Directors to decide the issuance of shares with a total financing amount not exceeding RMB300 million and not exceeding 20% of the net assets as at the end of the latest year to specific subject(s), and such authorization will expire on the date of the next annual shareholders’ meeting.

The following external guarantees provided by the Company are subject to the consideration and approval of the shareholders’ meeting upon the consideration and approval of the Board of Director:

- (i) the total amount of the external guarantees provided by the Company and its holding subsidiaries exceeding 50% of the latest audited net assets;
- (ii) the total amount of the external guarantees provided by the Company exceeding 30% of the latest audited total assets;
- (iii) the amount of the guarantees provided by the Company to others within one year exceeding 30% of the latest audited total assets;
- (iv) any guarantee to be provided to a recipient of such security whose asset to liability ratio is over 70%;
- (v) any single guarantee with an amount exceeding 10% of the latest audited net assets;
- (vi) any guarantee provided to shareholders, actual controllers, and their related parties;
- (vii) other external guarantees to be decided by the shareholders’ meeting as required by relevant laws and regulations and the securities regulatory rules of the place where the Company’s shares are listed.

In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors. The guarantee in item (iii) above shall be approved by more than two-thirds of voting rights held by the shareholders attending the shareholders’ meeting.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of items (i), (iv) and (v) above may be exempted.

The shareholders’ meetings are classified into annual shareholders’ meetings and interim shareholders’ meetings. The annual shareholders’ meeting shall be convened once a year and be held within 6 months of the end of the previous accounting year.

In any of the following circumstances, the Company shall convene an interim shareholders’ meeting within 2 months from the date upon which the circumstance occurs:

- (i) when the number of directors falls short of the number specified in the Company Law or 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 paid-up share capital;

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- (iii) when shareholders individually or collectively holding more than 10% of the Company’s share request;
- (iv) when the Board of Directors deems necessary;
- (v) when the Audit Committee proposes that such a meeting shall be held;
- (vi) other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.

Convening of Shareholders’ Meeting

Upon the agreement of more than half of all independent directors, the independent directors shall be entitled to submit a proposal to the Board of Directors on holding an interim shareholders’ meeting. For such a proposal, the Board of Directors shall give a written reply as to whether it agrees or disagrees to hold an interim shareholders’ meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association. Where the Board of Directors agrees to hold an interim shareholders’ meeting, a notice of the shareholders’ meeting shall be given within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given, and an announcement shall be made.

The Audit Committee shall submit a proposal in writing to the Board of Directors on holding an interim shareholders’ meeting. The Board of Directors shall give a written reply as to whether it agrees or disagrees to hold an interim shareholders’ meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association. Where the Board of Directors agrees to hold an interim shareholders’ meeting, a notice of shareholders’ meeting shall be given within 5 days after the resolution of the Board of Directors is made, and any change to the original proposal in the notice shall be subject to the approval from the Audit Committee. Where the Board of Directors does not agree to hold an interim shareholders’ meeting or fails to give a reply within 10 days upon receipt of the proposal, it shall be deemed that the Board of Directors is unable or fails to perform its duty of convening a shareholders’ meeting. In such case, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or together hold more than 10% of the shares of the Company shall request the Board of Directors to convene an interim shareholders’ meeting and such request shall be made to the Board of Directors in writing. The Board of Directors shall give a written reply as to whether it agrees or disagrees to hold an interim shareholders’ meeting within 10 days upon receipt of the request in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association. Where the Board of Directors agrees to hold an interim shareholders’ meeting, a notice of shareholders’ meeting shall be given within 5 days after the resolution of the Board of Directors is made, and any change to the original request in the notice shall be subject to the approval from the relevant shareholders. Where the Board of Directors does not agree to hold an interim shareholders’ meeting or fails to give a reply within 10 days upon receipt of the request, shareholders who individually or together hold 10% or more of the shares of the Company shall submit a proposal to the Audit Committee on holding an interim shareholders’ meeting and such request shall be made to the Audit Committee in writing. Where the Audit Committee agrees to hold an interim shareholders’ meeting, it shall issue a notice of Shareholders’ meeting within 5 days after receiving the request, and any changes to the original request in the notice shall be approved by the relevant shareholders. Where the Audit Committee fails to give the notice of the shareholders’ meeting within the specified time limit, it shall be deemed that the Audit Committee does not convene or preside over the meeting, in which case, shareholders who individually or together hold more than 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on their own.

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Where the Audit Committee or shareholders decide to convene a shareholders’ meeting on their own, they shall notify the Board of Directors in writing, and at the same time file with the SSE and make an announcement in accordance with the rules of the Hong Kong Stock Exchange. The Audit Committee or the convening shareholders shall provide relevant evidence to the Shanghai Stock Exchange and provide the documents required by the Hong Kong Stock Exchange at the time the notice of shareholders’ meeting is issued and an announcement of the resolutions of the shareholders’ meeting is made. Prior to the announcement of the resolution of the shareholders’ meeting, the proportion of shares held by the convening shareholders shall not be less than 10%.

Proposals and Notices of Shareholders’ Meeting

The contents of a proposal shall be within the scope of the duties and powers of the shareholders’ meeting, have definite themes and specific matters for resolutions, as well as be in compliance with laws, administrative regulations and the relevant provisions set forth in the Articles of Association.

When the Company convenes a shareholders’ meeting, the Board of Directors, the Audit Committee and shareholders who individually or together hold more than 1% of the shares of the Company are entitled to put forward a proposal to the Company.

Shareholders individually or together holding more than 1% of the shares of the Company can put forward a temporary proposal 10 days before the shareholders’ meeting is held and submit the proposal to the convener of the meeting in writing. The convener shall issue a supplemental notice within 2 days upon receiving such proposal to notify shareholders of the content of the proposal, and submit such temporary proposal to the shareholders’ meeting for review, unless the temporary proposal violates laws, administrative regulations or the provisions of the Articles of Association, or does not within the scope of the duties and powers of the shareholders’ meeting.

The convener shall notify each shareholder in writing (including by announcement) 21 days prior to an annual shareholders’ meeting and shall notify each shareholder in writing (including by announcement) 15 days prior to an interim shareholders’ meeting. If the shareholders’ meeting needs to be postponed due to the issuance of a supplemental notice of the shareholders’ meeting according to the securities regulatory rules of the place where the Company’s shares are listed, the convening of the shareholders’ meeting shall be postponed in accordance with the securities regulatory rules of the place where the Company’s shares are listed.

Notice of shareholders’ meeting shall include the following contents:

- (i) the date, venue and duration of the meeting;
- (ii) matters and proposals to be considered at the meeting;
- (iii) an express statement that the entire shareholders of ordinary shares are entitled to attend the shareholders’ meeting, and to appoint proxy(ies) in writing to attend and vote on his/her behalf at the meeting, and that a proxy need not be a shareholder of the Company;
- (iv) the record date on which the shareholders are entitled to attend the shareholders’ meeting;
- (v) the name and telephone number of permanent contact persons for the affairs of the meeting;
- (vi) the voting time and procedure via internet or through other means.

The notice and the supplementary notice, if any, of the shareholders’ meeting shall fully and completely disclose the contents of all proposals. If the matters to be discussed require the opinions of the independent non-executive directors, the opinions of the independent non-executive directors and the reasons therefor shall be disclosed at the same time when the notice of shareholders’ meeting or its supplementary notice is issued.

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Holding of Shareholders’ Meeting

All shareholders of ordinary shares (or their proxies) who are legally registered on the record date shall have the right to attend the shareholders’ meeting, and have the right to speak at the shareholders’ meeting and exercise voting rights in accordance with relevant laws, regulations, and the Articles of Association (unless certain shareholders are required to abstain from voting on specific matters according to the securities regulatory rules of the place where the Company’s shares are listed). Shareholders may attend the shareholders’ meeting in person, or appoint a proxy to attend, speak and vote on their behalf.

An individual shareholder who attends the meeting in person shall produce his/her own identification card or other valid documents or proof evidencing his/her identity. If a shareholder appoints a proxy to attend the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.

A corporate shareholder should attend the meeting by his/her statutory representative or a proxy entrusted by the statutory representative. Where the statutory representative attends the meeting, he/she shall produce his/her own identification card and valid certificates evidencing his/her capacity as the statutory representative. Where a proxy is appointed to attend the meeting, he/she shall produce his/her own identification card and the written power of attorney issued by the statutory representative of the corporate shareholder according to law. This does not apply where the shareholder is a recognized clearing house (as defined in the relevant ordinances from time to time in effect in Hong Kong law or the securities regulatory rules of the place where the Company’s shares are listed) (“**Recognized Clearing House**”) and its proxies.

A power of attorney issued by a shareholder to entrust another person as his/her proxy to attend the shareholders’ meeting shall contain the following:

- (i) The names of the appointing shareholder, the class and number of shares held by the shareholder;
- (ii) The names of the proxies;
- (iii) Specific instructions of the shareholders, including instructions to vote for, against or abstain from voting on each of the items in the agenda of the shareholders’ meeting and others;
- (iv) The signing date and the effective period of the power of attorney;
- (v) Signature (or seal) of the appointing shareholders who appoint the proxies. For a corporate shareholder, the proxy must be affixed with the common seal. If the overseas corporate shareholder does not have the common seal, the legal authorized person can sign.

Where the power of attorney is signed by a person authorized by the appointing shareholder, the power of attorney or other authorization instruments authorized to be signed shall be notarized. The notarized power of attorney or other authorization instruments, together with the power of attorney, shall be lodged at the domicile of the Company or other places as specified in the notice of the meeting.

Where the appointing Shareholder is a legal entity, its statutory representative or the person authorized by a resolution of its Board of Directors or other decision-making body shall attend the shareholders’ meetings of the Company as the representative of such appointing Shareholder.

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If the Shareholder is a Recognized Clearing House (or their proxies), the Shareholder may authorize one or more persons as it deems appropriate to act as its representative at any shareholders' meeting or creditors' meeting; however, if more than one person is authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized. The power of attorney shall be signed by the person authorized by the Recognized Clearing House. A person so authorized may exercise rights on behalf of the Recognized Clearing House (or their proxies) (without presenting a shareholding certificate, notarized authorization and/or further evidence confirming its duly authorization), and shall have the same statutory rights as other shareholders, including the right to speak and to vote, as if such person were an individual shareholder of the Company.

If the shareholders' meeting requires a director or senior management to attend the meeting, the director or senior management shall do so and shall answer the shareholders' inquiries.

The shareholders' meeting shall be presided over by the chairman of the Board. Where the chairman of the Board is unable to or fails to perform his/her duty, a director elected by more than half of all directors shall preside over the meeting. If a shareholders' meeting is convened by the Audit Committee itself, the convener of the Audit Committee shall preside over the meeting. If the convener of the Audit Committee is unable to or will not discharge his duties, more than half of the members of the Audit Committee shall nominate a member to preside over the meeting. The shareholders' meeting convened by shareholder(s) itself/themselves shall be presided over by the convener or a representative elected by the convener. In a shareholders' meeting, if the chairman of the meeting contravenes the rules of procedure, making the meeting impossible to proceed, with consent from more than half of the attending shareholders with voting rights, the shareholders' meeting may nominate one person to serve as the chairman and continue the meeting.

Voting and Resolutions at Shareholders' Meetings

The resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions. An ordinary resolution of the shareholders' meeting shall be adopted by more than half of the votes held by the shareholders (including proxies of shareholders) attending the shareholders' meeting. A special resolution of the shareholders' meeting shall be adopted by two-thirds or more of the votes held by the shareholders (including proxies of shareholders) attending the shareholders' meeting.

The following matters shall be approved by the shareholders' meeting through ordinary resolutions:

- (i) work report of the Board of Directors;
- (ii) the profit distribution plans and loss recovery plans drafted by the Board of Directors;
- (iii) appointment or dismissal of the members of the Board of Directors, and their remuneration and payment methods;
- (iv) other matters other than those approved by special resolution stipulated in the law, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

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

- (i) the increase or reduction of the registered capital of the Company;
- (ii) the division, spin-off, merger, dissolution and liquidation;
- (iii) amendments to the Articles of Association;

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- (iv) the purchases or sales of material assets by the Company within a year or the guarantee amount provided to others exceeding 30% of the latest audited total assets of the Company;
- (v) the share incentive scheme;
- (vi) other matters stipulated by laws, administrative regulations or the Articles of Association, as well as other matters that the shareholders’ meeting determines by ordinary resolution will have a significant impact on the Company and need to be passed by special resolution.

Shareholders (including proxies) shall exercise voting rights based on the number of shares with voting rights represented by them, and each share shall be entitled to one vote. On a poll, a shareholder (including proxy) entitled to two or more votes need not cast all his/her votes for or against or abstain from voting in the same way.

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

The Company’s shares held by the Company shall have no voting right, and shall not be included in the total number of shares with voting rights of the Shareholders present at the shareholders’ meeting.

If any shareholder, under applicable laws, regulations and the Listing of Securities on the Stock Exchange of Hong Kong Limited (《香港聯合交易所有限公司證券上市規則》) (“**Hong Kong Listing Rules**”), is required to abstain from voting on a particular matter being considered or is restricted to voting only for (or only against) a particular matter being considered, the number of votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted towards the total number of shares with voting rights.

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 thirty-six months after the purchase.

The Board of Directors of the Company, independent directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC, may publicly solicit Shareholders’ voting rights. When soliciting Shareholders’ voting rights, specific voting intentions and other information shall be fully disclosed to the person solicited. No Shareholders’ voting rights shall be solicited on a reimbursable basis or by other disguised form. The Company shall not set the minimum shareholding ratio limits for soliciting voting rights, except as required by law.

When a related transaction is considered at a shareholders’ meeting, the related shareholders shall abstain from voting, and the voting shares represented by them shall not be counted towards the total number of valid voting shares. The announcements on resolutions of the shareholders’ meeting shall fully disclose the voting results of non-related shareholders.

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DIRECTORS AND THE BOARD OF DIRECTORS

Directors

Directors of the Company may include executive directors, non-executive directors and independent non-executive directors. Non-executive directors refer to directors who do not hold operational management positions in the Company. The director of the Company shall be a natural person. The following person shall not serve as a director of the Company:

- (i) person without capacity or with limited capacity of civil conduct;
- (ii) person who was sentenced to criminal punishment due to corruption, bribery, embezzlement of property, misappropriation of property or disrupting the socialist market economic order, or who has been deprived of political rights due to any criminal offenses, where less than five years have lapsed since the expiration of the execution period, or two years have not elapsed since the expiration of the probation period for suspended sentence;
- (iii) person who was a former director, factory manager or manager of a company or enterprise which was declared bankrupt and was liquidated and who was personally liable for the bankruptcy of such company or enterprise, where less than 3 years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (iv) person who is a former legal person who was a legal representative of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who was personally liable, where less than 3 years has elapsed since the date of the revocation;
- (v) person who is listed as defaulter subject to enforcement by the People’s Court for being liable for a larger amount of debts that are overdue;
- (vi) person who is subject to the CSRC’s measures which prohibits him/her from entering into the securities market for a period which has not yet expired;
- (vii) being publicly determined by the SSE or HKEX as being unsuitable to hold the position of a director or senior manager of a listed company, etc., where the period has not expired;
- (viii) other circumstances stipulated in laws, administrative regulations or departmental rules.

The directors shall be elected or changed by shareholders’ meeting, and can be removed before maturity of the term of office by shareholders’ meeting. The term of office of directors shall be 3 years. A director shall be eligible for re-election and re-appointment upon the expiration of his/her term.

The term of office of a director shall commence from the date on which the said director assumes office until the expiry of the term of office of the current session of the Board of Directors. A director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office.

A director may serve concurrently as senior management, but the total number of directors serving concurrently as senior management and employee representative directors shall not be more than half of the directors of the Company. The employee representative directors of the Board of Directors are elected by the Company’s employees through the general meeting of employee representatives, which does not need to be submitted for review by shareholders’ meeting.

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A director may resign before expiry of his/her term of service. A director shall submit a written resignation report to the Board of Directors when he/she resigns. The resignation will take effect on the day the Company receives the resignation report and the Company shall make disclosure of relevant information within 2 trading days. Where the number of members of the Board of Directors falls below the minimum requirement due to the resignation of any director, before a newly elected director takes office, the original director shall perform his/her duties as a director in accordance with the laws, administrative regulations, departmental rules regulations and the Articles of Association.

The performance of duties by independent non-executive directors shall comply with the provisions of laws, administrative regulations, normative documents and the securities regulatory rules of the place where the Company’s shares are listed.

Board of Directors

The Company sets up the Board of Directors, which shall consist of 9 directors, with 1 chairman. The Board of Directors shall include 3 independent non-executive directors and 1 employee representative director. The chairman shall be elected by more than half of all directors of the Board of Directors.

The Board of Directors exercises the following functions and powers:

- (i) to convene shareholders’ meetings and report on its work to the shareholders’ meeting;
- (ii) to implement the resolutions of the shareholders’ meetings;
- (iii) to decide on the Company’s business plans and investment plans;
- (iv) to formulate the Company’s profit distribution plan and loss recovery plan;
- (v) to formulate proposals for the increase or reduction of the Company’s registered capital, issuance of bonds or other securities, and listing plans;
- (vi) to formulate plans for major acquisitions, purchase of our Company’s shares, or merger, division, dissolution and change of form of our Company;
- (vii) within the scope authorized by the shareholders’ meeting, to decide on the Company’s external investment, acquisition and sale of assets, asset pledge, external guarantee matters, entrusted wealth management, related transactions, and external donations;
- (viii) to decide on the establishment of the Company’s internal management structure;
- (ix) to decide on the appointment or dismissal of the Company’s manager, secretary to the Board of Directors and other senior management personnel, and to determine their remuneration, rewards, and penalties; based on the general manager’s nomination, to decide on the appointment or dismissal of the Company’s deputy general manager, chief financial officer, and other senior management personnel, and to determine their remuneration and rewards and penalties;
- (x) to formulate the Company’s basic management system;
- (xi) to formulate proposals for any amendment to the Articles of Association;
- (xii) to manage the information disclosure matters of the Company;
- (xiii) to propose to the shareholders’ meeting the appointment or change of the accounting firm acting as the auditors of our Company;

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- (xiv) to receive the work report of the Company’s general manager and examine the general manager’s work;
- (xv) other powers conferred by the laws, administrative regulations, departmental rules, or the Articles of Association.

Subject to compliance with the securities regulatory rules of the place where the Company’s shares are listed, the Board of Directors shall determine the scope of authorities in respect of external investments, acquisition and sale of assets, asset mortgage, external guarantees, entrusted financial management, related transactions, and external donations, and establish strict review and decision-making procedures; major investment projects should be reviewed by relevant experts and professionals, and subject to shareholders’ approval at the shareholders’ meeting.

The transaction matters requiring approval by the Board of Directors are as follows:

- (i) the total assets involved in the transaction account for more than 10% of the latest audited total assets of the Company; however, the total assets involved in the transaction account for more than 50% of the latest audited total assets of the Company, it shall also be submitted to the shareholders’ meeting for review; and if the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation;
- (ii) the concluded transaction amount accounts for more than 10% of the Company’s market value; however, if the transaction amount accounts for more than 50% of the company’s market value, it should also be submitted to the shareholders’ meeting for review;
- (iii) the net assets of the transaction target (such as equity) in the latest fiscal year account for more than 10% of the company’s market value; however, if the net assets of the transaction target (such as equity) in the most recent fiscal year account for more than 50% of the company’s market value, it should also be submitted to the shareholders’ meeting for review;
- (iv) the operating revenue of the subject of the transaction (for example, equity interests) in the latest fiscal year accounts for 10% or more of the revenue in the audited business of the Company in the latest fiscal year, and exceeds RMB10 million; but the operating revenue of the subject of the transaction (for example, equity interests) in the latest fiscal year accounts for 50% or more of the revenue in the audited business of the Company in the latest fiscal year, and exceeds RMB50 million shall also be submitted to the shareholders’ meeting for approval;
- (v) the profit generated by the transaction accounts for 10% or more of the audited net profit of the Company in the latest fiscal year, and exceeds RMB1 million; but the profit generated by the transaction accounts for 50% or more of the audited net profit of the Company in the latest fiscal year, and exceeds RMB5 million, shall also be submitted to the shareholders’ meeting for approval;
- (vi) the net profit of the subject of the transaction (for example, equity interests) in the latest fiscal year accounts for 10% or more of the audited net profit of the Company in the latest fiscal year, and exceeds RMB1million; but the net profit of the subject of the transaction (for example, equity interests) in the latest fiscal year accounts for 50% or more of the audited net profit of the Company in the latest fiscal year, and exceeds RMB5 million shall also be submitted to the shareholders’ meeting for approval;

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- (vii) connected legal person with an amount of RMB3 million or more and representing 0.1% or more of the latest audited net assets of the Company and connected transaction between the Company and connected natural person with an amount of RMB0.3 million or more and connected transaction between the Company, but connected transaction (excluding the provision of guarantee) between the Company and connected person with an amount of RMB30 million or more and representing 1% or more of the latest audited net assets of the Company, shall also be submitted to the shareholders’ meeting for approval;
- (viii) external guarantees other than those provided for in Article 47 of the Articles of Association shall be considered and approved by the Board of Directors and does not need to be submitted to the shareholders’ meeting of the Company for consideration and approval. For matters involving guarantees within the scope of the Board of Director’s authority, in addition to the approval of more than half of all Directors, the resolution shall also be approved by more than two-thirds of the Directors present at the meeting of the Board of Directors.

Matters failing to meet any of the above criteria shall be approved by the chairman of the Board.

Where there are special provisions otherwise prescribed by the laws, administrative regulations, departmental rules, the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange with respect to the approving authority for external investments, assets acquisitions or disposals, entrusted financial management, asset pledges and external guarantees, such transactions shall be implemented in accordance with the relevant provisions.

The meetings of the Board of Directors may be held only when more than half of the Directors are present at the meetings. Resolutions of the Board of Directors must be passed by more than half of all the Directors. As for the voting on the Board of Directors resolution, each Director shall have one vote only.

If the Director has an associated relation with an enterprise or individual involved in the matters resolved at the meetings of the Board of Directors, such Director shall promptly submit a written report to the Board of Directors. Directors with an associated relation shall not exercise the right to vote on the resolution or exercise the right to vote on behalf of other Directors. The meetings of the Board of Directors can be held with the attendance of more than half of the unassociated Directors, and resolutions made at the meetings of the Board of Directors shall be passed by more than half of the unassociated Directors. If the number of Directors without associated relations attending the meeting of the Board of Directors is less than three, the matter shall be submitted to the shareholders’ meeting for deliberation.

Independent Director

As members of the Board of Directors, independent Directors shall be loyal and diligent to the Company and all shareholders, and shall perform the following duties prudently:

- (i) participating in the decision-making of the Board of Directors and expressing clear opinions on the matters deliberated;
- (ii) supervising potential major conflicts of interest between the Company and its controlling shareholder, actual controller, Directors and senior management, and protecting the lawful rights and interests of minority shareholders;
- (iii) providing professional and objective suggestions for the Company’s operation and development to promote the improvement of the decision-making level of the Board of Directors;

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- (iv) other duties as stipulated by laws, administrative regulations, CSRC regulations and the Articles of Association.

The following matters shall be submitted to the Board of Directors for deliberation after being approved by more than half of all independent Directors of the Company:

- (i) affiliated transactions that shall be disclosed;
- (ii) plans for the Company and affiliated parties to change or waive their commitments;
- (iii) the decisions made and measures adopted by the Board of Directors of the acquired listed company regarding the acquisition;
- (iv) other matters as stipulated by laws, administrative regulations, CSRC regulations, and the Articles of Association.

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 (i) to (iii) of paragraph 1 of Article 130 and Article 131 of this Articles of Association shall be deliberated by a special meeting of independent Directors.

Special Committees of the Board of Directors

The Board of Directors of the Company shall establish an audit committee to exercise the functions and powers of the supervisory board as stipulated in the Company Law. The Audit committee shall consist of three members, all of whom shall be non-executive Directors not holding senior management positions in the Company, and 2 of whom shall be independent Directors. The committee shall be convened by an independent Director possessing accounting profession skills.

The Audit Committee shall be responsible for reviewing the Company’s financial information and its disclosure, supervising and evaluating internal and external audit work, as well as internal control. The following matters shall be submitted to the Board of Directors for consideration upon approval by more than half of the members of the Audit Committee:

- (i) disclosure of financial information contained in financial accounting reports and periodic reports, and internal control evaluation report;
- (ii) appointment or dismissal of the accounting firm responsible for the Company’s audit work;
- (iii) appointment or dismissal of the chief financial officer of the Company;
- (iv) changes in accounting policies and accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (v) other matters as prescribed by laws, administrative regulations, the CSRC regulations, and the Articles of Association.

The Audit Committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened when it is proposed by two or more members, or when it is deemed necessary by the convener. Meetings of the Audit Committee shall be held only if more than two-thirds of the members are present. The Audit Committee shall pass a resolution upon the approval of more than half of its members. The voting on the resolutions of the Audit Committee shall be one person, one vote. Minutes shall be prepared for the resolutions of the Audit Committee as required and shall be signed by the members of the Audit Committee present at the meetings. The Board of Directors shall be responsible for establishing the rules of procedure for the Audit Committee.

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The Board of Directors of the Company has established other special committees, including the Strategy and Sustainability Committee, the Nomination Committee and the Remuneration and Appraisal Committee to perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and the proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. The working procedures of the special committees shall be formulated by the Board of Directors.

Senior Management

The Company shall have one general manager to be appointed or dismissed by the Board of Directors. The Company shall have general managers, whose appointment or dismissal is decided by the Board of Directors.

The circumstances under which a person is not qualified to serve as a Director, the management system for resignations as stipulated in Article, shall also apply to the senior management. The provisions regarding the duties of loyalty of Directors and the duties of diligence of Directors, shall also apply to the senior management.

The term of office of the general manager shall be three years, and he/she may serve consecutive terms upon re-appointment.

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

- (i) presiding over the production and operation management of the Company, organizing the implementation of the resolutions of the Board of Directors, and reporting to the Board of Directors on his/her work;
- (ii) organizing the implementation of the Company’s annual business plans and investment plans;
- (iii) formulating plans for the establishment of the Company’s internal management bodies;
- (iv) formulating basic management rules of the Company;
- (v) formulating the Company’s specific rules and regulations;
- (vi) proposing appointment or dismissal of the Company’s deputy general manager and the chief financial officer to the Board of Directors;
- (vii) determining the appointment or dismissal of management personnel (other than those required to be appointed or dismissed by the Board of Directors);
- (viii) other functions and powers conferred by the Articles of Association or the Board of Directors.

The Company has a secretary to the Board who shall be responsible for the preparation of the shareholders’ meeting and the Board Meetings, the safekeeping of documents, the management of shareholder information and the handling of information disclosure matters.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT**Financial Accounting System**

The Company shall formulate its financial accounting system pursuant to the provisions of laws, administrative regulations and the relevant State authorities.

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The Company shall submit and disclose its annual reports to the CSRC and the stock exchange in the place where the Company’s shares are listed within four months from the end of each fiscal year, and its interim reports to the relevant branch office of the CSRC and the stock exchange in the place where the Company’s shares are listed within two months from the end of the first half of each fiscal year. The above-mentioned annual and interim reports shall be prepared in accordance with relevant laws, administrative regulations, the CSRC and the stock exchange in the place where the Company’s shares are listed.

The Company shall have no accounting books other than the statutory books. The Company’s funds shall not be deposited in any account opened under the name of an individual.

The Company shall allocate 10% of the annual after-tax profits as the statutory common reserve of the Company. When the accumulated amount of the statutory common reserve of the Company has reached more than 50% of the registered capital of the Company, no further allocations is required. If the statutory common reserve of the Company is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up the said losses before any statutory common reserve is withdrawn according to the provision of the preceding paragraph. After withdrawing the statutory common reserve out of its after-tax profits, the Company may also allocate some of its after-tax profits into its discretionary reserve if so resolved by the shareholders’ meeting. After making up the losses and making contributions to the common reserve fund, any remaining profits after tax shall be distributed to the shareholders in proportion to their respective shareholdings, except it is stipulated in the Articles of Association of the Company that profit distributions shall not be made in accordance with the shareholding proportion. If the shareholders’ meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return to the Company the profits so distributed. Where such violation causes losses to the Company, the shareholders and the Directors and senior management members responsible shall bear liability for compensation. No profits shall be distributed in respect of the shares held by the Company.

The Company shall appoint one or more payment receiving agents in Hong Kong for holders of H Shares. The payment receiving agents shall receive and hold on behalf of such holders of H Shares any dividends allocated to H Shares and other amounts payable by the Company, for future payments to such holders of H Shares. The payment receiving agents appointed by the Company shall comply with laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed.

The Company’s profit distribution shall emphasize a reasonable return to public shareholders, with the purpose of sustainable development and safeguarding shareholders’ rights and interests, maintain the continuity and stability of profit distribution policies, and comply with the relevant provisions of laws and regulations.

The Company’s profit may be distributed in cash, shares, a combination of both, or other methods permitted by laws, regulations. Cash dividends shall take precedence over stock dividends. When conditions for cash dividends are met, the Company shall adopt cash dividends for profit distribution. While ensuring a reasonable share capital scale and equity structure, the Company may distribute stock dividends alongside cash dividends.

The Board of Directors of the Company shall comprehensively consider factors such as industry characteristics, development stage, business model, profitability, solvency, and whether there are significant capital expenditure arrangements and returns to investors. Based on the procedures stipulated in the Articles of Association, the Board shall propose differentiated cash dividend policies under the following circumstances.

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After the profit distribution plan is adopted at the shareholders’ meeting of the Company, or the Board of Directors of the Company has formulated a specific plan based on the conditions and cap for the following year’s interim dividend considered and approved by the annual shareholders’ meeting, shall finish distributing dividends (or shares) within 2 months after conclusion of the shareholders’ meeting of the Company.

The Company’s reserve funds shall be used to make up the losses or expand the production operations, or be converted to increase the registered capital of the company. To cover the Company’s losses, the discretionary reserve and statutory common reserve should first be utilized; if the losses still cannot be covered, the capital reserve may be utilized in accordance with the regulations. When statutory common reserve is converted into increased registered capital, the remaining balance of that reserve shall not fall below 25% of the registered capital of the Company before the conversion.

Internal Audit

The Company shall implement internal audit system, which specifies the leadership system, duties and responsibilities, staffing, financial security, use of audit results and accountability for internal audit work.

The internal audit department of the Company conducts supervision and inspection of the business activities, risk management, internal control, financial information and other matters of the Company.

The internal audit department of the Company shall be accountable to the Board of Directors. During the supervision and inspection of the Company’s business activities, risk management, internal control, and financial information, the internal audit institution shall be subject to the oversight and guidance of the Audit Committee. If the internal audit institution discovers any significant issues or leads, it shall immediately report directly to the Audit Committee.

Engagement of Accounting Firm

The Company shall appoint an accounting firm that complies 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 of the accounting firm is 1 year and can be renewed.

The appointment and dismissal of the accounting firm of the Company shall be decided by the shareholders’ meeting. The Board of Directors shall not appoint an accounting firm before the decision of the shareholders’ meeting.

The Company shall undertake to provide true and complete accounting documents, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or concealing or misrepresentation of information.

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

If the Company proposes to dismiss the accounting firm or not to renew the engagement thereof, it shall notify the accounting firm 30 days in advance, and the accounting firm shall be allowed to state its opinions at the shareholders’ meeting of the Company where voting is conducted on dismissal of the accounting firm.

If the accounting firm resigns, it shall make clear to the shareholders’ meeting whether there is any impropriety on the part of the Company.

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

Merger, Division, Capital Increase and Capital Reduction

The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity. Merger by absorption means the absorption by one Company of other Company or Companies, in which case the absorbed Company or Companies shall be dissolved. Merger by new establishment means the merger of two or more Companies to form a new Company, in which case all parties to the merger shall be dissolved.

If the consideration paid by the Company for the merger does not exceed 10% of the Company’s net assets, a resolution of the shareholders’ meeting is not required, unless otherwise provided by the Articles of Association. Mergers conducted in accordance with the preceding paragraph without a resolution of the shareholders’ meeting must be approved by a resolution of the Board of Directors.

In the case of a merger, a merger agreement shall be signed by all parties, and they shall prepare their balance sheets and inventory of assets. The Company notifies its creditors within 10 days upon the date of passing of the resolution which approves the merger, and announce the merger within 30 days in newspapers such as Securities Daily and Shanghai Securities News or the National Enterprise Credit Information Publicity System. A creditor may request the Company to settle any outstanding debts or provide guarantees accordingly within 30 days upon receipt of the notice, or within 45 days of the date of the announcement if he/she/it has not received any notice.

In case of a merger of the Company, the claims and debts of the merging parties shall be assumed by the surviving or the new Company after the merger.

When the Company is divided, its assets shall be split 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 10 days after the date of the Company’s resolution on division and shall make an announcement in newspapers such as Securities Daily and Shanghai Securities News or the National Enterprise Credit Information Publicity System within 30 days after the date of the Company’s resolution on division.

The debts of the Company which have accrued prior to the division shall be jointly borne by the separated Companies, unless otherwise stipulated in the agreement in writing entered into by the Company with creditors in respect of the settlement of debts prior to division.

The Company shall prepare a balance sheet and an inventory of assets when it needs to reduce its registered capital. The Company shall notify the creditors within 10 days upon resolution on reduction of registered capital by the shareholders’ meeting and make announcement thereof in newspapers such as Securities Daily and Shanghai Securities News or the National Enterprise Credit Information Publicity System within 30 days. Creditors may demand the Company to repay debts or provide corresponding security within 30 days upon receipt of such notice or 45 days from the date of announcement in case of receiving no such notice. When the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shareholders’ capital contribution or shareholding, unless otherwise stipulated by the laws or the Articles of Association.

Dissolution and Liquidation

The Company dissolves for the following reasons:

- (i) the business term stipulated in the Articles of Association expires, or other dissolution causes stipulated in the Articles of Association occur;
- (ii) the shareholders’ meeting has resolved on dissolution of the Company;

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- (iii) merger or division of the Company entails dissolution;
- (iv) the business license of the Company is revoked or the Company is ordered to close down or to be dissolved in accordance with the laws;
- (v) If the Company gets into serious trouble in operations and management and continuation may incur material losses of the interests of the shareholders, and no solution can be found through other channel, the Company is dissolved by a people’s court in response to the request of the shareholders holding more than 10% of the voting rights of the Company.

Where the Company falls under the circumstances set forth in item (i), item (ii) above hereof, and has not yet distributed assets to shareholders, it may carry on its existence by amending the Articles of Association or through a resolution of a shareholders’ meeting. The amendments to the Articles of Association or a resolution adopted by a shareholders’ meeting in accordance with the provisions described above shall require the approval of more than two-thirds of voting rights of shareholders attending a shareholders’ meeting.

Where the Company is dissolved under the circumstances set forth in items (i), (ii), (iv) or (v) above, it shall be liquidated. A Director is the liquidation obligor of the Company and shall form a liquidation committee to carry out liquidation within 15 days of the date on which the dissolution matters occur.

The liquidation committee shall notify the Company’s creditors within 10 days upon its establishment and publish an announcement in newspapers such as Securities Daily and Shanghai Securities News or the National Enterprise Credit Information Publicity System within 60 days. A creditor shall file his/her/its claim with the liquidation committee within 30 days upon receipt of the notice, or within 45 days of the date of the announcement if he/she/it has not received any notice. A creditor shall state all matters related to his/her/its creditor rights in making his/her/its claim and furnish evidence. The liquidation committee shall register such creditor’s claims. The liquidation committee shall not make any debt settlement with the creditors during the period of the claim.

Upon liquidation of the Company’s property and preparation of the balance sheet and property inventory, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders’ meeting or a people’s court for confirmation. After paying liquidation expenses, employee salaries, social insurance premiums, statutory compensation and outstanding taxes and debts of the Company, the remaining property will be distributed by the company according to the proportion of shares held by the shareholders. During the liquidation, the Company shall continue to exist, but may not engage in any business activities unrelated to the liquidation. The Company’s property shall not be distributed to shareholders before making repayment pursuant to the provisions of the preceding paragraph.

Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report and submit it to the shareholders’ meeting or a people’s court for confirmation and the company registration authority to cancel the Company’s registration.

Where the Company is declared bankrupt according to laws, bankruptcy liquidation shall be processed in accordance with the relevant laws on corporate bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

- (i) anything, as contained in the Articles of Association, is inconsistent with the amended laws, administrative regulations after the Company Law or the relevant laws, administrative regulations are revised;

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- (ii) the Company’s situation has changed and is inconsistent with that set forth under the Articles of Association;
- (iii) the shareholders’ meeting has decided on making amendments to the Articles of Association.

Where any amendment to the Articles of Association resolved by the shareholders’ meeting is subject to review and approval of competent authorities, the amendment shall be submitted to the competent authorities for approval; where Company registration matters are involved, change registration formalities shall be filed pursuant to the law.