

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

1. DIRECTORS AND BOARD OF DIRECTORS

(1) Power to Allot and Issue Shares

The Board of Directors has the power to formulate proposals for the increase or reduction of the registered capital, the issuance of bonds or other securities, and the listing of the Company. Such proposals shall only be implemented after completing the required approval procedures in accordance with the laws, administrative regulations, departmental rules, the listing jurisdiction's regulatory rules, and the Company's articles of association before implementation.

(2) Power to Dispose of Assets of the Company or Any of Its Subsidiaries

In accordance with the relevant laws, administrative regulations, normative documents, and the securities regulatory rules of the stock exchange where the Company's shares are listed, as well as the Articles of Association, the Board of Directors has the power to decide on matters including the Company's external investments, acquisition and disposal of assets, asset mortgages, entrusted wealth management, connected transactions, and external donations, other than those matters required to be approved by the general meeting. Matters that exceed the authorization of the general meeting shall be submitted to the general meeting for deliberation.

(3) Compensation or Payments for Loss of Office

A director may be removed by an ordinary resolution of the general meeting before the expiration of their term of office, without prejudice to any claim for damages that such director may have under any contract. If a director is removed from office before the expiration of their term without justifiable cause, the director may claim compensation from the Company.

(4) Loans to Directors

There are no provisions in the Articles of Association relating to loans to directors.

(5) Financial Assistance to Purchase Shares of the Company or Shares of Any Subsidiary

Neither the Company nor its subsidiaries (including the Company's affiliated enterprises) shall provide financial assistance, in the form of gifts, advances, guarantees, loans, or otherwise, to any person for the acquisition of shares in the Company or its parent company, except as otherwise provided for by laws, administrative regulations, departmental rules, or normative documents.

(6) Disclosure of Interest in Contracts with the Company or Any Subsidiaries

Directors shall not to enter into contracts or conduct transactions with the Company, whether directly or indirectly, without reporting to the Board of Directors or the general meeting and obtaining approval by a resolution passed by the Board of Directors or the general meeting in accordance with the Articles of Association.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

(7) Remuneration

The appointment and removal of members of the Board of Directors and the determination of matters relating to the remuneration of directors shall be approved by way of ordinary resolution at the general meeting.

(8) Retirement, Appointment and Removal

The Company has established a Board of Directors consisting of nine directors, of whom three are independent non-executive directors. Members of the Board of Directors shall be elected by the general meeting in accordance with the law. Directors shall be elected or replaced by the general meeting and may be removed by the general meeting before the expiration of their term of office. A director shall serve a term of three years and can be re-elected upon the expiry of the tenure. The Board of Directors shall have one Chairperson, who shall be elected by a majority of all directors.

The term of office of a director shall start from the date on which the director assumes office to the expiration of the term of office of the current Board of Directors. If the term of office of a director expires but re-election is not made in a timely manner, the said director shall continue to perform the duties as a director pursuant to laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association until a new director is elected.

A director may concurrently serve as a senior management member, provided that the total number of directors who concurrently serve as senior management members and directors who are employee representatives shall not exceed one-half of the total number of directors of the Company.

The directors of the Company are natural persons, and none of the following persons shall serve as a director:

- (I) a person who has no civil capacity or has limited civil capacity;
- (II) a person who has been sentenced to criminal punishment for corruption, bribery, encroachment of property, misappropriation of property, or disruption of the socialist market economic order, where less than five years have elapsed since the date of completion of the sentence; or a person who has been deprived of their political rights due to a criminal offense, where less than five years have elapsed since the date of completion of such deprivation; or a person who has been granted a probation period for a suspended sentence, where less than two years have elapsed since the expiration of the probation period;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (III) a director, factory manager, or manager of a company or enterprise that has been liquidated due to bankruptcy, who was personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy liquidation;
- (IV) the legal representative of a company or enterprise which had its business license revoked or was ordered to close down due to a violation of the law, who was personally liable for such revocation or closure, where less than three years have elapsed since the date of the revocation of the business license or the closure order;
- (V) a person who has a large amount of overdue debts that remain unsettled and has been listed as a dishonest judgment debtor by a people’s court;
- (VI) a person who is currently subject to a ban from the securities market imposed by the China Securities Regulatory Commission (CSRC), where the term of such ban has not yet expired;
- (VII) a person who has been publicly identified by a stock exchange as unsuitable for serving as a director, senior management member, or other position of a listed company, where the period of such identification has not yet expired;
- (VIII) any other circumstances where a person is prohibited from serving as a director of the Company under laws, administrative regulations, departmental rules, normative documents, the security regulatory rules in the jurisdiction where the Company’s shares are listed, or the provisions of relevant regulatory authorities.

Any election, appointment, or employment of directors in violation of this Article shall be invalid. If any of the circumstances stipulated in this Article arise during the term of office of a director, the Company shall remove them from office and terminate their performance of duties.

(9) Borrowing Powers

The Board of Directors has the power to formulate proposals for the Company’s issuance of bonds or other securities and listing plans. Such proposals shall only be implemented after completing the required approval procedures in accordance with laws, administrative regulations, departmental rules, the listing jurisdiction’s regulatory requirements, and the Company’s articles of association.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

2. AMENDMENT TO CONSTITUTIONAL DOCUMENTS

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

- (I) after the Company Law or relevant laws and administrative regulations are amended, the matters provided for in the Articles of Association are in conflict with the provisions of such amended laws or administrative regulations;
- (II) changes occur in the Company's circumstances, resulting in inconsistency with the matters recorded in the Articles of Association; or
- (III) the general meeting resolves to amend the Articles of Association.

Where an amendment to the Articles of Association approved by way of a resolution at the general meeting is subject to examination and approval by a competent authority, it shall be submitted to such authority for approval; where such amendment involves any company registration matters, an application for change of registration shall be filed in accordance with the law.

3. RIGHTS TO ALTER EXISTING SHARES OR CLASSES OF SHARES

There are no provisions in the Articles of Association regarding the rights to alter existing shares or classes of shares.

4. SPECIAL RESOLUTIONS REQUIRE A SUPER-MAJORITY VOTE

Resolutions of the general meeting are classified as ordinary resolutions or special resolutions.

An ordinary resolution of the general meeting shall be passed by a majority of the voting rights held by the shareholders present at the meeting, including their proxies.

A special resolution of the general meeting shall be passed by a majority of two-thirds of the voting rights held by the shareholders present at the meeting, including their proxies.

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

- 1. to elect and replace directors, and to decide on matters relating to their remuneration;
- 2. to consider and approve reports of the Board of Directors;
- 3. to consider and approve the Company's profit distribution plans and loss recovery plans;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

4. to resolve on the Company’s issuance of bonds (excluding bonds convertible into the Company’s shares);
5. to consider and approve matters concerning guarantees provided by the Company, and matters related to the Company’s investments, acquisition and disposal of assets that are required to be approved by the general meeting in accordance with the Articles of Association;
6. to consider and approve any change in the use of proceeds;
7. to consider and approve employee share schemes;
8. to consider and approve any transaction where any applicable percentage ratio calculated in accordance with Rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) is twenty-five percent (25%) or more (including a single transaction and a series of transactions required to be aggregated, but excluding any transaction exempt from shareholders’ approval requirements under the Hong Kong Listing Rules or by the Hong Kong Stock Exchange), or any connected transaction where any applicable percentage ratio is five percent (5%) or more (including a single transaction and a series of transactions required to be aggregated, but excluding any connected transaction exempt from disclosure or announcement requirements under the Listing Rules or by the Hong Kong Stock Exchange);
9. to decide on the appointment and dismissal of the accounting firm for the Company’s annual audit; and
10. to consider and approve any other matters that, according to laws, administrative regulations, departmental rules, the security regulatory rules in the jurisdiction where the Company’s shares are listed, or the Articles of Association, shall be decided by the general meeting by way of ordinary resolution.

Other matters shall be approved by way of special resolution.

The following matters shall be resolved by way of special resolution at a general meeting:

- (1) the increase or reduction of the Company’s registered capital;
- (2) the merger, division, dissolution, liquidation (including voluntary winding up), or change of corporate form of the Company;
- (3) amendments to the Articles of Association;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (4) the purchase or disposal of material assets (including equity investments) or the provision of guarantees by the Company within one year with an aggregate amount exceeding 30% of the Company's latest audited consolidated total assets (excluding guarantees provided by the Company to its wholly-owned subsidiaries);
- (5) the consideration and approval of equity incentive schemes;
- (6) the issuance of corporate bonds convertible into shares by the Company; and
- (7) other matters required by laws, administrative regulations, departmental rules, the Listing Rules, the security regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association to be resolved by a special resolution, and any other matters that, as determined at the general meeting by way of an ordinary resolution, shall have a material impact on the Company and require approval by a special resolution.

5. VOTING RIGHTS (GENERAL RULES FOR VOTING)

Shareholders (including their proxies) shall exercise their voting rights as represented by the number of voting shares held by them, and each share shall have one vote. Shareholders (including their proxies) entitled to two or more votes on a poll is under no obligation to cast all such votes in the same way, whether for, against, or in abstention.

When major matters affecting the interests of minority shareholders are reviewed at a general meeting, the votes of minority shareholders shall be counted separately. The results of such separate counts shall be disclosed to the public in a timely manner in accordance with laws, administrative regulations, departmental rules, normative documents, the security regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association.

Shareholders attending a general meeting shall express one of the following opinions on a proposal submitted for voting: for, against, or abstain.

Any ballot that is blank, incorrectly completed, illegible, or not cast shall be deemed as a waiver of the voting rights by the voter, and the voting result corresponding to the number of shares held by them shall be counted as "abstain."

If the security regulatory rules in the jurisdiction where the Company's shares are listed require any shareholder to abstain from voting on any particular resolution, or restrict any shareholder to vote only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

6. REQUIREMENTS FOR ANNUAL GENERAL MEETINGS

General meetings shall be classified into annual general meetings and extraordinary general meetings. An annual general meeting shall be held once every fiscal year and within six months after the end of the preceding financial year.

7. ACCOUNTS AND AUDIT

(1) Financial and Accounting Policies

The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations, and the requirements of the relevant authorities of the State. At the end of each financial year, the Company shall prepare a financial and accounting report, which shall be audited by an accounting firm in accordance with the law.

The financial and accounting report shall be made available at the Company for inspection by shareholders at least 20 days before the convening of the annual general meeting.

The Company shall not set up any other accounting books except for the statutory accounting books. The assets of the Company shall not be deposited into an account established in the name of any individual.

(2) Appointment and Removal of Auditors

The Company shall appoint an independent accounting firm that complies with relevant State regulations and the security regulatory rules in the jurisdiction where the Company's shares are listed to audit financial statements, verify net assets, and offer other relevant consultancy services. The term of appointment shall be one year and may be renewed.

The appointment and dismissal of the accounting firm providing annual audit services to the Company shall be determined by the general meeting.

Where the Company removes or resolves not to renew the appointment of an accounting firm, it shall provide such accounting firm with 30 days' prior notice. Where the general meeting votes on the removal or non-renewal of the accounting firm, such accounting firm shall be entitled to make representations to the general meeting. Where an accounting firm tenders its resignation, it shall state to the general meeting whether there are any improper circumstances involving the Company.

The audit fees of the accounting firm providing annual audit services shall be determined by the general meeting.

The Company undertakes to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the appointed accounting firm and shall not refuse to provide, conceal or make false reports.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

8. NOTICE AND AGENDA OF GENERAL MEETINGS

(1) General Provisions of General Meetings

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

- (I) the number of directors is less than the minimum number prescribed by the Company Law, or less than two-thirds of the number required by the Articles of Association;
- (II) the uncovered losses of the Company reach one-third of its total share capital;
- (III) shareholders individually or collectively holding 10% or more of the Company's voting rights (excluding voting rights of treasury shares) request in writing;
- (IV) the Board of Directors considers it necessary;
- (V) the Audit Committee of the Board of Directors proposes to convene such a meeting;
or
- (VI) other circumstances required by laws, administrative regulations, departmental rules, the security regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association.

(2) Convening General Meetings

The Board of Directors shall convene general meetings on time within the prescribed period.

With the consent of more than half of all independent non-executive directors, such directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. Regarding such proposals, the Board of Directors shall, in accordance with laws, administrative regulations, and the Articles of Association, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within 10 days upon receipt of the proposal.

If the Board of Directors agrees, it shall issue a notice of the general meeting within five days after the board resolution is made; if it disagrees, it shall explain the reasons and make an announcement.

The Audit Committee has the right to propose to the Board of Directors to convene an extraordinary general meeting in writing. The Board of Directors shall, in accordance with laws, administrative regulations, and the Articles of Association, provide written feedback within 10 days upon receipt of the proposal.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice within five days after the board resolution is made; any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee.

If the Board of Directors disagrees to convene an extraordinary general meeting or fails to provide feedback within 10 days, it shall be deemed unable or failed to perform its duty to convene the meeting, and the Audit Committee may convene and preside over the meeting on its own.

Shareholders individually or collectively holding 10% or more of the Company's shares (excluding treasury shares) have the right to request the Board of Directors to convene an extraordinary general meeting and to add resolutions to the meeting agenda in writing. The Board of Directors shall provide written feedback within 10 days upon receipt of the request.

If the Board of Directors agrees to convene an extraordinary general meeting, it shall issue a notice within five days; any changes to the original request shall be subject to the consent of the relevant shareholders.

If the Board of Directors disagrees or fails to provide feedback within 10 days, shareholders individually or collectively holding 10% or more of the Company's shares (excluding treasury shares) shall have the right to propose to the Audit Committee to convene the meeting in writing.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice within five days; any changes to the original request shall be subject to the consent of the relevant shareholders.

If the Audit Committee fails to issue the notice within the prescribed period, it shall be deemed as not convening or presiding over the meeting, and shareholders individually or collectively holding 10% or more of the Company's shares (excluding treasury shares) for 90 consecutive days or more may convene and preside over the meeting on their own.

Where the Audit Committee or shareholders decide to convene a general meeting on their own, they shall notify the Board of Directors in writing and file with the relevant stock exchange(s) (if required) in accordance with the security regulatory rules in the jurisdiction where the Company's shares are listed.

The Audit Committee or the convening shareholders shall submit relevant supporting materials to the relevant stock exchange(s) when issuing the meeting notice and the announcement of resolutions.

Before the announcement of the general meeting resolutions, the shareholding of the convening shareholders (excluding treasury shares) shall not be less than 10%.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

(3) Proposals for General Meetings

When the Company convenes a general meeting, the Board of Directors, the Audit Committee, and shareholders individually or collectively holding 1% or more of the Company's shares shall have the right to submit proposals to the Company.

Shareholders individually or collectively holding 1% or more of the Company's shares may submit an interim proposal in writing to the convener 10 days before the general meeting is held. The interim proposal shall have definite topics and specific matters for resolution. The convener shall issue a supplementary notice of the general meeting within two days upon receipt of the interim proposal and submit the interim proposal to the general meeting for consideration; except where the interim proposal violates laws, administrative regulations, or the Articles of Association, or does not fall within the scope of authority of the general meeting.

Except for the circumstances stipulated in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the general meeting or add new proposals after the issuance of such notice.

The general meeting shall not vote or resolve on any proposal not set out in the notice or which does not comply with the Articles of Association.

The convener shall notify all shareholders of an annual general meeting by way of announcement at least 21 days prior to the meeting, and notify all shareholders of an extraordinary general meeting at least 15 days prior to the meeting. The aforementioned periods shall exclude the date on which the meeting is held. If laws, regulations, and the securities regulatory authorities in the jurisdiction where the Company's shares are listed provide otherwise, such provisions shall prevail.

9. TRANSFER OF SHARES

Shares issued by the Company prior to its public offering shall not be transferred within one year from the date on which the Company's shares are listed and traded on a stock exchange.

The directors and senior management of the Company shall declare to the Company the number of shares held by them and subsequent changes in their shareholdings. During their term of office, as determined at the time of appointment, the number of shares transferred each year shall not exceed 25% of the total number of the Company's shares of the same class held by them. The Company's shares held by them shall not be transferred within one year from the date on which the Company's shares are listed and traded. The shares of the Company held by the aforementioned individuals shall not be transferred within six months after their resignation.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

If the shares are pledged within the restricted transfer period as provided for by laws and administrative regulations, the pledgee shall not exercise the pledge right during such restricted period.

If the security regulatory rules in the jurisdiction where the Company's shares are listed provide otherwise regarding the transfer restrictions of overseas listed shares, such provisions shall prevail.

10. POWER OF THE COMPANY TO PURCHASE ITS OWN SHARES

The Company shall not purchase its own shares, except under any of the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with another company that holds shares in the Company;
- (III) to use the shares for employee share schemes or equity incentives;
- (IV) to acquire the shares of shareholders who, having voted against any resolution on the merger or division of the Company adopted at a general meeting, request the Company to purchase their shares;
- (V) to utilize shares to satisfy the conversion of corporate bonds that are convertible into shares issued by the Company;
- (VI) to safeguard the Company's value and shareholders' rights and interests as deemed necessary by the Company; or
- (VII) other circumstances permitted by laws, administrative regulations, the security regulatory rules in the jurisdiction where the Company's shares are listed, or other relevant provisions.

The Company may purchase its own shares through open centralized trading or by other means recognized by laws, administrative regulations, the Listing Rules, and the security regulatory rules in the jurisdiction where the Company's shares are listed.

Where the Company purchases its shares under the circumstances set out in items (III), (V), and (VI) above, the repurchase shall be conducted through open centralized trading.

Any repurchase of shares under the circumstances set out in items (I), (II) or (III) above shall be subject to a resolution of the general meeting. Any repurchase of shares under the circumstances set out in items (V), or (VI) above may, in accordance with the Articles of Association or the authorization of the general meeting, be resolved by a Board meeting attended by no less than two-thirds of the directors. If the security regulatory rules in the

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

jurisdiction where the Company’s shares are listed provide otherwise, such provisions shall prevail, provided that they do not conflict with the Company Law, the Securities Law, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), and the Guidelines for Articles of Association of Listed Companies.

After the Company purchases its shares in accordance with the aforementioned provisions, shares purchased under the circumstances set out in item (I) shall be canceled within 10 days from the date of purchase; shares purchased under the circumstances set out in items (II) or (IV) shall be transferred or canceled within six months; and for shares purchased under the circumstances set out in items (III), (V), or (VI), the total number of shares held by the Company shall not exceed 10% of the Company’s total issued shares, and such shares shall be transferred or canceled within three years.

If relevant laws, administrative regulations, normative documents, and the security regulatory rules in the jurisdiction where the Company’s shares are listed provide otherwise regarding the aforementioned share repurchases, such provisions shall prevail.

11. POWER OF ANY SUBSIDIARY OF THE COMPANY TO HOLD SHARES IN THE COMPANY

There are no provisions in the Articles of Association regarding the holding of shares in the Company by its subsidiaries.

12. DIVIDENDS AND OTHER METHODS OF DISTRIBUTION

The Company’s dividend distribution policy emphasizes providing reasonable returns to investors, maintaining continuity and stability while taking into account the long-term interests of the Company, the overall interests of all shareholders, and the Company’s sustainable development. The Company primarily adopts cash dividends as its method of dividend distribution. The Company may make interim profit distributions where conditions permit. The dividend payout ratio may vary from year to year, and the Company provides no assurance that any specific amount of dividend will be paid in any given period.

Before declaring or recommending the payment of dividends, the Board of Directors shall consider the following factors:

- (1) the Company’s actual and expected financial performance;
- (2) the Company’s expected working capital requirements, capital expenditure requirements, and future expansion plans;
- (3) the Company’s current and future liquidity position;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (4) economic conditions and other internal or external factors that may affect the Company's business or financial performance and condition; and
- (5) any other factors deemed appropriate by the Board of Directors.

Where the Company distributes profits to shareholders in violation of the Company Law, shareholders shall refund such profits to the Company. If losses are caused to the Company, the shareholders and the responsible directors and senior management members shall be liable for compensation.

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

13. PROXIES

Shareholders may attend general meetings in person or appoint a proxy to attend and vote on their behalf.

Each shareholder has the right to appoint one or more persons (who do not need to be a shareholder) as their proxy to attend and vote on their behalf. If a shareholder is a corporation, it may appoint one or more persons to represent it at any general meeting of the Company and to vote thereat. If such corporation has appointed a representative to attend any meeting, it shall be deemed to be present in person.

If a shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time, such shareholder may authorize one or more persons as it considers appropriate to act as its representative at any general meeting; however, if more than one person is authorized, the authorization letter shall specify the number and class of shares in respect of which each such person is so authorized. The authorization letter shall be signed by an authorized officer of the recognized clearing house. A person so authorized may attend meetings on behalf of the recognized clearing house (or its nominee) (without being required to produce share certificates, notarized authorization, and/or further evidence of their formal authorization), and shall be entitled to speak and exercise rights at the meeting as if such person were an individual shareholder of the Company. These authorized persons shall enjoy legal rights equivalent to those of other shareholders, including the right to speak and vote.

Individual shareholders attending a meeting in person shall present their identity card or other valid certificates or proof of identity; those attending as a proxy for others shall present their valid identity document and the proxy form from the shareholder.

Corporate shareholders shall be represented at a meeting by their legal representative or a proxy appointed by the legal representative. If the legal representative attends the meeting, they shall present their identity card and valid proof of their qualification as a legal representative. If an agent attends the meeting, the agent shall present their identity card and

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

a written power of attorney or proxy form lawfully issued by the legal representative of the corporate shareholder (unless the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time). If such corporate shareholder has appointed a representative to attend any meeting, it shall be deemed to be present in person.

14. CALLS ON SHARES AND FORFEITURE OF SHARES

There are no provisions in the Articles of Association regarding calls on shares and forfeiture of shares.

15. INSPECTION OF REGISTER OF MEMBERS

The Company shall maintain a register of members based on the evidence provided by the securities registration and clearing authority. The register of members shall be sufficient evidence of the shareholders' holding of the Company's shares. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold; shareholders holding the same class of shares shall enjoy equal rights and assume the same obligations.

The original register of members for H shares shall be kept in Hong Kong for inspection by shareholders. However, the Company may suspend the registration of members in accordance with applicable laws, administrative regulations, and the security regulatory rules in the jurisdiction where the Company's shares are listed, on terms equivalent to Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Any shareholder registered in the register of members, or any person requesting to have their name entered in the register of members, may, if their share certificate is lost, apply to the Company for a replacement share certificate in respect of such shares. Applications by holders of overseas listed foreign shares for replacement of lost share certificates shall be handled in accordance with the laws, rules of the stock exchange, or other relevant provisions of the place where the original register of members for such shares is kept. When the Company convenes a general meeting, distributes dividends, conducts liquidation, or engages in other acts requiring confirmation of shareholder identity, the Board of Directors or the convener of the general meeting shall determine the record date. Shareholders registered after the close of business on the record date shall be the shareholders entitled to the relevant rights and interests.

16. QUORUM FOR GENERAL MEETINGS AND SEPARATELY CONVENED CLASS MEETINGS

There are no provisions in the Articles of Association regarding the quorum for general meetings and class meetings.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

17. RIGHTS OF MINORITY SHAREHOLDERS IN CASES OF FRAUD OR OPPRESSION

Where a director violates laws, administrative regulations, departmental rules, or the Articles of Association in the performance of their duties, resulting in any loss to the Company, they shall be liable for compensation.

Where a director or senior management member violates laws, administrative regulations, or the Articles of Association in the performance of their duties, resulting in any loss to the Company, shareholders who individually or collectively hold 1% or more of the Company's shares for 180 consecutive days or more have the right to request the Audit Committee in writing to initiate legal proceedings in a people's court.

Where the Audit Committee refuses to initiate legal proceedings after receiving the written request from shareholders as prescribed in the preceding paragraph, or fails to initiate legal proceedings within 30 days upon receipt of such request, or where the situation is so urgent that failure to initiate legal proceedings immediately will cause irreparable damage to the Company's interests, the shareholders prescribed in the preceding paragraph shall have the right to initiate legal proceedings directly in a people's court in their own name for the interests of the Company.

Where a third party infringes upon the legitimate rights and interests of the Company, resulting in any loss to the Company, the shareholders prescribed in the preceding two paragraphs may initiate legal proceedings in a people's court in accordance with the provisions of the preceding two paragraphs.

18. WINDING-UP PROCEDURES

The Company shall be dissolved under any of the following circumstances:

- (I) the term of business set forth in the Articles of Association of Association has expired or any other event of dissolution specified herein has occurred;
- (II) the general meeting passes a resolution to dissolve the Company;
- (III) dissolution is necessary due to the merger or division of the Company;
- (IV) the business license is revoked, the Company is ordered to close down, or its registration is canceled in accordance with the laws;
- (V) where the Company encounters serious difficulties in operation and management such that its continued existence would cause significant losses to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders holding 10% or more of the total voting rights of the Company may petition a people's court to dissolve the Company.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

Upon the occurrence of any of the dissolution events set out in the preceding paragraph, the Company shall, within 10 days, publicly disclose the cause of dissolution through the National Enterprise Credit Information Publicity System.

Where the Company is under the circumstances set out in items (I) or (II) above and has not yet distributed assets to the shareholders, it may continue to exist by amending its Articles of Association or by a resolution of the general meeting.

Amendments to the Articles of Association or resolutions of the general meeting in accordance with the preceding paragraph shall be passed by no less than two-thirds of the voting rights held by the shareholders present at the general meeting.

If the Company is dissolved under items (I), (II), (IV), or (V) above, it shall undergo liquidation. The directors shall be the liquidation obligors and shall form a liquidation committee to begin liquidation within 15 days from the date of the occurrence of the dissolution event.

The liquidation committee shall consist of directors, unless the general meeting resolves to appoint other persons.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, resulting in losses to the Company or its creditors, they shall be liable for compensation.

If the Company is required to liquidate but fails to establish a liquidation committee within the time limit, or fails to carry out liquidation after establishing such committee, interested parties may apply to a people's court to designate relevant persons to form a liquidation committee to carry out the liquidation.

If the Company is dissolved under item (IV) above, the department that made the decision to revoke the business license or order the closure or de-registration, or the company registration authority, may apply to a people's court to designate relevant persons to form a liquidation committee for liquidation.

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

- (I) to liquidate the Company's assets and prepare a balance sheet and an inventory of assets;
- (II) to notify and issue announcements to creditors;
- (III) to handle the Company's unfinished business related to the liquidation;
- (IV) to settle outstanding taxes and taxes incurred during the liquidation process;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

(V) to clear claims and debts;

(VI) to distribute the remaining assets of the Company after settlement of its debts; and

(VII) to represent the Company in civil litigation.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and shall make an announcement in a newspaper or through the National Enterprise Credit Information Publicity System, and in such manner as required by the stock exchange where the Company's shares are listed, within 60 days. Creditors shall, within 30 days of receipt of the notice, or within 45 days of the date of the announcement for those who have not received such notice, declare their claims to the liquidation committee.

Creditors declaring claims shall specify relevant matters concerning the claims and provide the supporting documents. The liquidation committee shall register the claims.

During the claim declaration period, the liquidation committee shall not make any repayment to creditors.

After the liquidation committee has liquidated the Company's assets and prepared a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit it to the general meeting or a people's court for confirmation.

After the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensations, outstanding taxes and the Company's debts from the Company's assets, the remaining assets shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to the liquidation.

The assets of the Company shall not be distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

If the liquidation committee, after thoroughly liquidating the Company's assets and preparing a balance sheet and an inventory of assets, finds that the Company's assets are insufficient to pay its debts in full, it shall apply to a people's court for bankruptcy liquidation in accordance with laws.

After the people's court accepts the application for bankruptcy liquidation, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

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

Members of the liquidation committee shall perform their liquidation obligation and bear fiduciary and diligent duties.

Members of the liquidation committee shall bear the liability for damages suffered by the Company due to their negligence in performing the obligations of liquidation; members of the liquidation committee who cause losses to the Company or creditors due to intentional or gross negligence shall be liable for compensation.

If the Company is declared bankrupt in accordance with laws, bankruptcy liquidation shall be implemented in accordance with the laws on enterprise bankruptcy.

19. OTHER PROVISIONS MATERIAL TO THE PRC ISSUER OR THE SHAREHOLDERS THEREOF

(1) General Provisions

The Company is a joint stock limited company with an indefinite operating period commencing from March 23, 2001.

The liability of shareholders is limited to the amount of shares they have subscribed, and the Company shall be liable for its debts with all of its assets.

From its effective date, the Articles of Association shall be a legally binding document governing the Company’s organization and conduct, and the rights and obligations between the Company and its shareholders, and among the shareholders themselves. It shall be legally binding on the Company, its shareholders, members of the Party organization, directors, and senior management.

(2) Capital Increase and Reduction

Subject to approval by the general meeting, the Company may, based on its operational and development needs, increase its registered capital through public offerings, non-public offerings, allotment of bonus shares to existing shareholders, Capitalization of Reserve Funds or other methods stipulated by laws, administrative regulations, the Articles of Association, the security regulatory rules in the jurisdiction where the Company’s shares are listed, or as approved by the CSRC.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

(3) Shareholders

Shareholders of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of distribution of interests in proportion to their respective shareholdings;
- (II) to legally request, convene, preside over, attend, or appoint a proxy to attend general meetings and exercise the right to speak and the corresponding voting rights thereat;
- (III) to supervise the Company's operations, and to make recommendations or inquiries;
- (IV) to transfer, gift, or pledge the shares they hold in accordance with laws, administrative regulations, the requirements of the security regulatory rules in the jurisdiction where the Company's shares are listed, and the Articles of Association;
- (V) to inspect and copy the Articles of Association, the register of members, minutes of general meetings, resolutions of meetings of the Board of Directors, and financial accounting reports; eligible shareholders may inspect the Company's accounting books and vouchers;
- (VI) to participate in the distribution of the Company's remaining assets in proportion to their shareholdings upon termination or liquidation of the Company;
- (VII) for shareholders who dissent from a resolution of the general meeting on the merger or division of the Company, to request the Company to purchase their shares, subject to compliance with the Articles of Association, relevant laws and regulations, and the procedural requirements for share repurchases under the security regulatory rules in the jurisdiction where the Company's shares are listed; and
- (VIII) other rights stipulated by laws, administrative regulations, departmental rules, the security regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association.

Shareholders of the Company shall assume the following obligations:

- (I) to abide by laws, administrative regulations, and the Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to withdraw their share capital, except as provided for by laws and regulations;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (IV) not to abuse shareholder rights to damage the interests of the Company or other shareholders; and not to abuse the independent status of the Company as a legal person or the limited liability of shareholders to damage the interests of the Company’s creditors; and
- (V) other obligations imposed by laws, administrative regulations, the security regulatory rules in the jurisdiction where the Company’s shares are listed, and the Articles of Association.

Where a shareholder of the Company abuses their shareholder rights and causes losses to the Company or other shareholders, they shall be liable for compensation in accordance with the law. Where a shareholder of the Company abuses the independent status of the Company as a legal person or the limited liability of shareholders to evade debts, thereby seriously harming the interests of the Company’s creditors, such shareholder shall assume joint and several liability for the debts of the Company.

Where a shareholder uses two or more companies under their control to commit the acts specified in the preceding paragraph, each such company shall bear joint and several liability for the debts of any of the companies.

(4) Board of Directors

The Board of Directors shall exercise the following functions and powers:

- (I) to convene general meetings and report to general meetings;
- (II) to implement the resolutions of general meetings;
- (III) to decide on the Company’s business operation plans and investment proposals;
- (IV) to decide on the Company’s annual financial budgets and final accounts;
- (V) to formulate the Company’s profit distribution plans and loss recovery plans;
- (VI) to formulate plans for the increase or reduction of the Company’s registered capital, the issuance of bonds or other securities, and the listing of the Company;
- (VII) to formulate proposals for the Company’s material acquisitions, repurchase of the Company’s shares, or merger, division, dissolution, and change of corporate form;
- (VIII) to decide on matters other than those requiring approval by the general meeting, such as external investments, acquisition and disposal of assets, asset mortgages, entrusted wealth management, connected transactions, and external donations;
- (IX) to decide on the establishment of the Company’s internal management structure;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (X) to decide on the appointment or dismissal of the Company’s General Manager and determine their remuneration; and based on the nomination of the General Manager, to decide on the appointment or dismissal of senior management members including the Deputy General Managers and the Financial Officer, and to determine their remuneration and matters relating to the Secretary to the Board;
- (XI) to formulate the basic management system of the Company;
- (XII) to formulate proposals for the amendment to the Articles of Association;
- (XIII) to manage information disclosure matters of the Company;
- (XIV) to review the work reports of the General Manager and examine the work of the General Manager;
- (XV) to consider the Company’s external guarantee matters in accordance with Article 43 of the Articles of Association; where such matters require the approval of the general meeting, they shall be submitted to the general meeting after being considered and approved by the Board of Directors, while all other external guarantee matters shall be determined by the Board of Directors;
- (XVI) to decide on the establishment, membership, and relevant systems of the special committees under the Board of Directors;
- (XVII) to elect and replace the Chairperson; and
- (XVIII) other functions and powers as granted by laws, administrative regulations, departmental rules, the Listing Rules, the security regulatory rules in the jurisdiction where the Company’s shares are listed, the Articles of Association, Rules of Procedure of the Board of Directors or the general meeting.

Matters exceeding the scope of authorization by the general meeting shall be submitted to the general meeting for consideration.

The Board of Directors may delegate authority to the management, provided that such delegated matters do not violate the relevant provisions of laws, administrative regulations, departmental rules, the Listing Rules, the security regulatory rules in the jurisdiction where the Company’s shares are listed, or the Articles of Association.

(5) Responsibilities of Directors

Directors shall owe the following fiduciary duties to the Company:

- (I) not to encroach upon the Company’s property or embezzle the Company’s funds;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

- (II) not to deposit the Company's funds in an account opened in their own name or in the name of any other individual;
- (III) not to exploit their functions and powers to offer bribes or accept other illegal income;
- (IV) not to enter into contracts or conduct transactions with the Company, whether directly or indirectly, without reporting to the Board of Directors or the general meeting and obtaining approval by a resolution passed by the Board of Directors or the general meeting in accordance with the Articles of Association;
- (V) not to take advantage of their positions to seek for themselves or others any business opportunities that belong to the Company, except where such matters have been reported to the Board of Directors or the general meeting and approved by resolution of the general meeting, or where the Company is unable to exploit such business opportunities in accordance with laws, administrative regulations, the security regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association;
- (VI) not to engage in or operate for others any business similar to that of the Company without reporting to the Board of Directors or the general meeting and obtaining approval by resolution of the general meeting;
- (VII) not to accept and keep for their own benefit any commissions from transactions between other parties and the Company;
- (VIII) not to disclose secrets of the Company without authorization;
- (IX) not to harm the interests of the Company by taking advantage of their related party relationships;
- (X) other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the security regulatory rules in the jurisdiction where the Company's shares are listed, and the Articles of Association.

Any income obtained by a director in violation of this Article shall belong to the Company; where losses are caused to the Company, the director shall be liable for compensation.

Directors shall comply with laws, administrative regulations, and the Articles of Association, and owe a duty of diligence to the Company. When performing their duties, directors shall exercise the reasonable care normally expected of a manager in the best interests of the Company.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

Directors shall owe the following duties of diligence to the Company:

- (I) to exercise the rights granted by the Company prudently, conscientiously, and diligently to ensure that the Company's business conduct complies with the requirements of national laws, administrative regulations, and various national economic policies, and that its business activities do not exceed the scope specified in its business license;
- (II) to treat all shareholders fairly;
- (III) to keep abreast of the Company's business operations and management status;
- (IV) to sign written confirmation opinions on the Company's periodic reports and ensure that the information disclosed by the Company is true, accurate, and complete;
- (V) to truthfully provide relevant information and materials to the Audit Committee and not to impede the Audit Committee from exercising its functions and powers; and
- (VI) other duties of diligence stipulated by laws, administrative regulations, departmental rules, the security regulatory rules in the jurisdiction where the Company's shares are listed, and the Articles of Association.

Where a director violates laws, administrative regulations, departmental rules, or the Articles of Association in the performance of their duties, resulting in any loss to the Company, they shall be liable for compensation.

If a director causes damage to a third party while performing their duties, the Company shall be liable for compensation; if the director acts with intent or gross negligence, they shall also be liable for compensation.

(6) Independent Non-executive Directors

The Company shall establish a Board of Directors consisting of nine directors, of whom independent non-executive directors shall represent at least one-third and shall be no fewer than three.

(7) Audit Committee

The Board of Directors shall establish an Audit Committee, which shall exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law. The Audit Committee shall consist of at least three directors, all of whom shall be non-executive directors, and independent non-executive directors shall constitute a majority. At least one independent non-executive director shall possess appropriate professional qualifications or appropriate accounting or related financial management expertise as required under the Listing Rules. An independent non-executive director shall serve as the convener.

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

The Audit Committee is responsible for reviewing the Company’s financial information and its disclosure, and supervising and evaluating audit work and internal controls. The following matters shall be submitted to the Board of Directors for consideration after obtaining the consent of more than half of all members of the Audit Committee:

- (I) the disclosure of financial information in financial and accounting reports and periodic reports, and internal control evaluation reports;
- (II) the appointment or dismissal of the accounting firm undertaking the annual audit business of the Company;
- (III) the appointment or dismissal of the financial officer;
- (IV) changes to accounting policies or accounting estimates, or corrections of material accounting errors, for reasons other than changes in accounting standards; and
- (V) other matters stipulated by laws, administrative regulations, the provisions of the CSRC, the security regulatory rules in the jurisdiction where the Company’s shares are listed, and the Articles of Association.

The working procedures for the Audit Committee shall be formulated by the Board of Directors.

(8) General Manager

The Company shall have one general manager, who shall be nominated by the shareholder Zhejiang Lianyu Trading Co., Ltd. and appointed or dismissed by the Board of Directors.

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

- (I) to preside over the production, operation and management of the Company, organize the implementation of the resolutions passed by the Board of Directors and report their work to the Board of Directors;
- (II) to organize the implementation of the Company’s annual business plans and investment proposals;
- (III) to prepare proposals for the establishment of the Company’s internal management structure;
- (IV) to draft the Company’s basic management system;
- (V) to formulate the specific rules of the Company;
- (VI) to propose to the Board of Directors the appointment or dismissal of the Company’s deputy general managers, the financial officer, and the secretary to the board, and to make recommendations to the Board of Directors regarding the remuneration of such personnel;

APPENDIX V

SUMMARY OF ARTICLES OF ASSOCIATION

(VII) to decide on the appointment or dismissal of management personnel other than those whose appointment or dismissal shall be determined by the Board of Directors, and to determine the remuneration of such personnel;

(VIII) to decide on other operational and management matters other than those subject to the decision-making of the general meeting, the Party Committee, or the Board of Directors; and

(IX) other functions and powers granted by the Articles of Association or the Board of Directors.

The general manager shall attend Board meetings as a non-voting attendee.

(9) Reserve Funds

When the Company distributes its after-tax profits for the current year, 10% of the profits shall be allocated to the Company's statutory reserve fund. If the cumulative amount of the statutory reserve fund exceeds 50% of the Company's registered capital, no further allocation is required.

If the statutory reserve fund is not sufficient to make up the losses in the previous years, the profits of the current year shall be used to make up the losses before allocations are set aside for the statutory reserve fund according to the provisions of the preceding paragraph.

After the company allocates funds to the statutory reserve fund from the after-tax profits, it may also allocate funds to a discretionary reserve fund from the after-tax profits upon a resolution of the general meeting.

The Company's remaining after-tax profits, after making up for losses and making allocations to the reserve funds, shall be distributed in proportion to the shares held by the shareholders upon a resolution of the general meeting.

The Company's reserve funds shall be used to make up for its losses, expand its production and operations, or be converted into additional registered capital of the Company. When the reserve funds are used to make up for the Company's losses, the discretionary reserve funds and the statutory reserve fund shall be used first; if the losses still cannot be fully made up, the capital reserve fund may be used in accordance with relevant provisions.

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