

APPENDIX IV

SUMMARY OF ARTICLES OF ASSOCIATION

This appendix is intended to provide potential investors with an overview of the Articles of Association of the Company (the Articles of Association set out in this appendix shall become effective upon the [REDACTED] of the Company’s H shares on the Hong Kong Stock Exchange). The following is only a summary and does not contain all provisions which may be material to potential investors.

SHARES

Issue of Shares

The issue of shares of the Company shall follow the principles of openness, fairness and impartiality. Each share of the same class shall carry equal rights. Shares of the same class issued at the same time shall be subject to the same conditions and price per share; each subscriber shall pay the same consideration for each share subscribed.

INCREASE AND REDUCTION OF SHARE CAPITAL AND REPURCHASE OF SHARES

Increase of Capital

In accordance with the needs of the Company’s operation and development, and subject to the provisions of laws and regulations, the Company may, upon separate resolutions passed at the general meeting, increase its capital by way of:

- (i) issuing shares to non-specific investors;
- (ii) issuing shares to specific investors;
- (iii) allotting bonus shares to existing shareholders;
- (iv) capitalisation of reserves;
- (v) other methods permitted by laws, administrative regulations and rules, and approved by the securities regulatory authorities and stock exchange where the Company’s shares are listed.

Reduction of Capital

The Company may reduce its registered capital. Any reduction of registered capital shall be conducted in accordance with the Company Law, other applicable provisions, the securities regulatory rules of the place where the Company’s shares are listed and the procedures stipulated in the Articles of Association.

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Repurchase of Shares

The Company shall not repurchase its own shares except under the following circumstances, in which case it may repurchase its shares in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association:

- (i) for the purpose of reducing the Company's registered capital;
- (ii) for merger with another company holding shares of the Company;
- (iii) for use in employee shareholding schemes or share incentive plans;
- (iv) where shareholders dissent from a resolution of the general meeting on merger or division of the Company and request the Company to repurchase their shares;
- (v) for conversion of shares upon exercise of convertible corporate bonds issued by the Company;
- (vi) where it is necessary for the Company to safeguard its value and shareholders' interests;
- (vii) other circumstances permitted by laws, administrative regulations, departmental rules, normative documents and the securities regulatory rules of the place where the Company's shares are listed.

Repurchase of shares under items (i) and (ii) above shall be subject to a resolution of the general meeting. Repurchase of shares under items (iii), (v) and (vi) above shall, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, be subject to a resolution of a board meeting attended by more than two-thirds of the directors.

Shares repurchased under item (i) above shall be cancelled within ten days from the date of repurchase. Shares repurchased under items (ii) and (iv) above shall be transferred or cancelled within six months. Shares repurchased under items (iii), (v) and (vi) above shall not exceed 10% of the total number of shares of the Company in issue and shall be transferred or cancelled within three years.

The Company may acquire its own shares through public centralised trading, or by other means recognised by laws, administrative regulations, the securities regulatory rules of the Company's stock listing location, and the China Securities Regulatory Commission (where required), and shall comply with applicable laws, regulations, and the securities regulatory rules of the Company's stock listing location. Repurchase of shares under items (iii), (v) and (vi) above shall, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, be conducted through public centralized trading.

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Upon repurchase of shares, the Company shall perform its information disclosure obligations in accordance with the Securities Law and the securities regulatory rules of the place where the Company’s shares are listed.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the law.

The Company shall not accept its shares as the subject of a pledge.

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

Directors and senior management of the Company shall declare to the Company the shares they hold and any changes thereto. During their term of office, the number of shares transferred each year shall not exceed 25% of the total number of shares of the same class held by them. Shares held by such persons shall not be transferred within one year from the date on which the Company’s shares are listed and traded. Shares held by such persons shall not be transferred within six months after their resignation.

Where laws, administrative regulations, or the listing rules of the China Securities Regulatory Commission or the stock exchange where the Company’s shares are listed impose additional restrictions on the transfer of the Company’s shares, such rules shall prevail.

Where shares are pledged during the statutory restricted transfer period under laws, administrative regulations or the securities regulatory rules of the place where the Company’s shares are listed, the pledgee shall not exercise the pledge during such restricted transfer period.

Where shareholders holding more than 5% of the shares of the Company, directors or senior management sell the shares or other equity securities of the Company held by them within six months after purchase, or repurchase such shares or securities within six months after sale, any gains derived therefrom shall belong to the Company, and the board of directors of the Company shall recover such gains. However, this shall not apply where securities firms, Hong Kong Securities Clearing Company Limited, and Hong Kong Central Clearing (Agent) Limited hold more than 5% of the shares as a result of purchasing unsold shares after a book-building process, or in other circumstances prescribed by the China Securities Regulatory Commission and the securities regulatory authorities where the company’s shares are listed.

For the purposes of the preceding paragraph, shares or other equity securities held by directors, senior management or individual shareholders shall include those held by their spouses, parents and children, as well as those held through accounts in the name of others.

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Where the board of directors of the Company fails to implement the provisions of the first paragraph, shareholders shall have the right to request the board of directors to implement within thirty days. If the board of directors fails to implement within the aforesaid period, shareholders shall have the right, in the interests of the Company, to bring an action directly to the People’s Court in their own name.

Where the board of directors of the Company fails to implement the provisions of the first paragraph, the directors responsible shall bear joint and several liability in accordance with the law.

SHAREHOLDERS

Register of Shareholders

The Company shall establish a register of shareholders based on the certificates provided by the securities registration institution. The register of shareholders shall be sufficient evidence of the shareholders’ shareholdings in the Company. Shareholders shall enjoy rights and assume obligations according to the class of shares they hold; shareholders holding shares of the same class shall enjoy equal rights and assume the same obligations.

When the Company convenes a general meeting of shareholders, distributes dividends, conducts liquidation or engages in other activities requiring confirmation of shareholder identity, the board of directors or the convener of the general meeting shall determine the shareholding record date. Shareholders registered in the register of shareholders after the close of trading on the record date shall be entitled to the relevant rights and interests.

Rights of Shareholders

Shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other forms of distributions in proportion to their shareholdings;
- (ii) to request, convene, preside over, attend or appoint proxies to attend general meetings in accordance with the law, and to exercise the corresponding rights of speech and voting (unless individual shareholders are required by the Hong Kong Listing Rules or other securities regulations governing the listing of the company’s shares to abstain from voting on specific matters);
- (iii) to supervise the business operations of the Company, and to make proposals or inquiries;

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- (iv) to transfer, give or pledge their shares in accordance with laws, administrative regulations, the relevant provisions of the securities regulatory authority and stock exchange 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, counterfoils of corporate bonds, minutes of general meetings, resolutions of board meetings, and financial and accounting reports, and shareholders meeting the prescribed requirements may inspect the Company's accounting books and vouchers;
- (vi) upon termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to their shareholdings;
- (vii) shareholders who dissent from resolutions of the general meeting on merger or division of the Company may, subject to compliance with the procedures stipulated in the Articles of Association and relevant laws and regulations for the repurchase of shares, request the Company to repurchase their shares;
- (viii) inspect the Hong Kong branch register of members of the company, provided that the company may suspend the registration of members in accordance with section 632 of the Companies Ordinance (Cap. 622) or equivalent provisions;
- (ix) other rights prescribed by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Obligations of Shareholders

Shareholders of the Company shall undertake the following obligations:

- (i) to comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- (ii) to pay share subscription monies in accordance with the shares subscribed and the method of subscription;
- (iii) not to withdraw their share capital except in circumstances permitted by laws, regulations or the securities regulatory rules of the place where the Company's shares are listed;
- (iv) not to abuse shareholders' rights to the detriment of the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company or the limited liability of shareholders to the detriment of the interests of the Company's creditors;

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- (v) to undertake other obligations as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

Where shareholders of the Company abuse their rights as shareholders and cause losses to the Company or other shareholders, they shall be liable for compensation in accordance with the law. Where shareholders of the Company abuse the independent legal person status of the Company or the limited liability of shareholders to evade debts and seriously prejudice the interests of the Company’s creditors, they shall bear joint and several liability for the debts of the Company.

GENERAL MEETING OF SHAREHOLDERS

General Provisions of the General Meeting of Shareholders

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

- (i) to elect and replace directors who are not employee representatives, and to determine matters relating to the remuneration of directors;
- (ii) to consider and approve the report of the board of directors;
- (iii) to consider and approve the profit distribution plan and plan for making up losses of the Company;
- (iv) to resolve on the increase or reduction of the registered capital of the Company;
- (v) to resolve on the issuance of corporate bonds by the Company;
- (vi) to resolve on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (vii) to amend the Articles of Association and its appendices;
- (viii) to resolve on the engagement or dismissal of the accounting firm responsible for the audit of the Company and matters relating to the remuneration of the accounting firm;
- (ix) to consider and approve financial assistance matters as stipulated in the Articles of Association;
- (x) to consider and approve guarantee matters as stipulated in the Articles of Association;

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- (xi) to consider and approve major transaction matters as stipulated in the Articles of Association;
- (xii) to consider and approve share incentive schemes and employee shareholding plans;
- (xiii) to consider and approve matters relating to changes in the use of proceeds;
- (xiv) to consider and approve material transactions and connected transactions exceeding the authority of resolutions of the board of directors;
- (xv) to consider and approve other matters which, pursuant to laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, shall be determined by the general meeting of shareholders.

Unless otherwise provided by laws, administrative regulations or the securities regulatory rules of the place where the Company's shares are listed, the general meeting of shareholders shall not delegate the powers which are required by law to be exercised by the general meeting of shareholders to the board of directors or any other institutions or individuals, except where permitted by laws, administrative regulations, or the regulatory rules of the place where the Company's shares are listed.

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

An extraordinary general meeting shall be convened within two months from the occurrence of any of the following events:

- (i) where the number of directors falls below the quorum required under the Company Law or less than two-thirds of the number prescribed in the Articles of Association or where the resignation or removal of an independent director results in the proportion of independent directors on the Board or its specialised committees failing to meet the requirements of the Hong Kong Listing Rules, or where there is a lack of accounting professionals among the independent directors;
- (ii) where the Company's accumulated losses reach one-third of its total share capital;
- (iii) where shareholders individually or in aggregate holding 10% or more of the shares of the Company request;
- (iv) where the board of directors considers it necessary;
- (v) where the audit committee proposes to convene;

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- (vi) other circumstances as provided by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Shareholder Proxies

Shareholders may attend general meetings in person or appoint proxies to attend and vote on their behalf. Proxies need not be shareholders of the Company.

A power of attorney issued by a shareholder authorising another person to attend a general meeting shall specify the following particulars:

- (i) the name of the principal, the class and number of shares held, and whether voting rights are attached;
- (ii) the name of the proxy;
- (iii) specific instructions of the shareholder, including directions to vote for, against or abstain on each matter included in the agenda of the general meeting;
- (iv) the date of issue and the period of validity of the power of attorney;
- (v) the signature (or seal) of the principal. Where the principal is a corporate shareholder or other institutional shareholder, the corporate or institutional seal shall be affixed or signed by a duly authorised person;
- (vi) other particulars as required by laws, regulations, normative legal documents, and the securities regulatory rules of the place where the Company's shares are listed.

The power of attorney shall state whether the proxy may vote at his/her discretion in the absence of specific instructions from the shareholder.

Where a proxy voting power of attorney is signed by another person authorised by the principal, the authorisation letter or other authorisation documents shall be notarised. The notarised authorisation letter or other authorisation documents, together with the proxy voting power of attorney, shall be kept at the domicile of the Company or at such other place as specified in the notice convening the meeting.

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Convening of General Meetings

General meetings shall be convened by the board of directors.

Independent directors shall have the right to propose to the board of directors the convening of an extraordinary general meeting. A proposal to convene an extraordinary general meeting by independent directors shall be deliberated at a special meeting of the independent directors and approved by more than half of all independent directors. The board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, provide written feedback within ten days of receipt of such proposal, stating whether it agrees or disagrees to convene the extraordinary general meeting. Where the board of directors agrees to convene the extraordinary general meeting, it shall issue a notice of the meeting within five days after the resolution of the board of directors. Where the board of directors disagrees, it shall state the reasons and make an announcement.

The audit committee shall have the right to propose to the board of directors the convening of an extraordinary general meeting, and such proposal shall be made in writing. The board of directors shall, 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, provide written feedback within ten days of receipt of such proposal, stating whether it agrees or disagrees to convene the extraordinary general meeting. Where the board of directors agrees, it shall issue a notice of the meeting within five days after the resolution of the board of directors, and any changes to the original proposal shall be subject to the consent of the audit committee. Where the board of directors disagrees or fails to provide feedback within ten days of receipt of the proposal, it shall be deemed that the board of directors is unable or unwilling to perform its duty to convene the general meeting, and the audit committee may convene and preside over the extraordinary general meeting itself.

Shareholders individually or jointly holding 10% or more of the shares of the Company shall have the right to request the board of directors to convene an extraordinary general meeting, and such request shall be made in writing. The board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, provide written feedback within ten days of receipt of such request, stating whether it agrees or disagrees to convene the extraordinary general meeting. Where the board of directors agrees, it shall issue a notice of the meeting within five days after the resolution of the board of directors, and any changes to the original request shall be subject to the consent of the relevant shareholders. Where the board of directors disagrees or fails to provide feedback within ten days of receipt of the request, shareholders individually or jointly holding 10% or more of the shares of the Company shall have the right to propose to the audit committee to convene an extraordinary general meeting, and such request shall be made in writing.

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Where the audit committee agrees to convene the extraordinary general meeting, it shall issue a notice of the meeting within five days of receipt of the request, and any changes to the original proposal shall be subject to the consent of the relevant shareholders. Where the audit committee fails to issue the notice within the prescribed period, it shall be deemed that the audit committee does not convene or preside over the general meeting, and shareholders individually or jointly holding 10% or more of the shares of the Company continuously for more than 90 days may convene and preside over the extraordinary general meeting themselves. Prior to the announcement of the resolutions of the general meeting, the aggregate shareholding of the shareholders convening the meeting shall not be less than 10%.

Notice, Proposals and Convening of General Meetings

The convener shall give notice to all shareholders at least 20 days prior to the annual general meeting and at least 15 days prior to an extraordinary general meeting.

When convening a general meeting of shareholders, the board of directors, the audit committee and shareholders individually or jointly holding 1% or more of the shares of the Company shall have the right to submit proposals to the Company.

Shareholders individually or jointly holding 1% or more of the shares of the Company may submit ad hoc proposals in writing to the convener at least 10 days prior to the general meeting. Ad hoc proposals shall contain clear subjects and specific resolutions. The convener shall, within two days of receipt of such proposals, issue a supplemental notice of the general meeting setting out the contents of the ad hoc proposals and submit such proposals to the general meeting for consideration; provided that ad hoc proposals which contravene laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or which do not fall within the scope of authority of the general meeting, shall be excluded, prior to the shareholders' meeting adopting a resolution, shareholders proposing an ad hoc motion must hold no less than 1% of the total share capital. Save as provided in the preceding paragraph, after issuing the notice of the shareholders' meeting, the convener shall not amend or add new motions. The shareholders' meeting shall not vote on or pass resolutions concerning proposals not specified in the notice of the shareholders' meeting or those that do not comply with laws, regulations, or the provisions of these Articles of Association. The notice of the shareholders' meeting and any supplementary notice shall fully and comprehensively disclose the specific content of the proposals, along with all materials or explanations necessary for shareholders to make a reasonable judgement on the matters to be discussed.

The Company shall, on the premise of ensuring the legality and validity of the general meeting, provide convenience to shareholders to participate in the general meeting through various means and channels.

General meetings shall be presided over by the chairman of the board. Where the chairman is unable or unwilling to perform his duties, a director elected by more than half of the directors shall preside.

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General meetings convened by the audit committee shall be presided over by the convener of the audit committee. Where the convener is unable or unwilling to perform his duties, a member of the audit committee elected by more than half of the members of the audit committee shall preside.

General meetings convened by shareholders shall be presided over by the convener or his/her designated representative.

Resolutions of General Meetings

Resolutions of general meetings shall be classified into ordinary resolutions and special resolutions.

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

Special resolutions of general meetings shall be passed by not less than two-thirds of the voting rights held by shareholders (including proxies) present at the meeting.

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

Where shareholders acquire voting shares of the Company in violation of Article 63(1) and (2) of the Securities Law, the portion of shares exceeding the prescribed ratio shall not carry voting rights within thirty-six months after acquisition, and shall not be counted in the total number of voting shares present at the general meeting.

Shares of the Company held by the Company itself shall not carry voting rights and shall not be counted in the total number of voting shares present at the general meeting.

Where applicable laws and regulations or the Listing Rules of Hong Kong require any shareholder to abstain from voting on a resolution, or restrict any shareholder to voting only in favour of (or against) a resolution, any votes cast in violation of such requirements or restrictions by such shareholders or their proxies shall not be counted.

Ordinary resolutions of the shareholders' meeting shall be amended to:

- (1) electing and replacing non-employee director representatives;
- (2) determining remuneration for directors;
- (3) reviewing and approving the board of directors' work report;
- (4) reviewing and approving the company's profit distribution plan and loss compensation plan;

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- (5) matters other than those required by law, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association to be passed by special resolution.
 - (i) the work report of the board of directors;
 - (ii) the profit distribution plan and plan for making up losses formulated by the board of directors;
 - (iii) the appointment and removal of members of the board of directors and their remuneration and payment methods;
 - (iv) other matters except those required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association to be passed by special resolution.

The following matters shall be passed by way of special resolution of the general meeting:

- (i) increase or reduction of the registered capital of the Company;
- (ii) division, spin-off, merger, dissolution, liquidation, voluntary winding-up or change of corporate form of the Company;
- (iii) amendments to the Articles of Association;
- (iv) purchase or disposal of major assets or provision of guarantees exceeding 30% of the Company's total assets as audited in the most recent financial period within one year;
- (v) share incentive schemes;
- (vi) other matters required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, and other matters which, as determined by ordinary resolution of the general meeting, may have a material impact on the Company and shall be passed by special resolution.

Directors and the Board of Directors

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. The term of office of directors shall be three years, and they may be re-elected upon expiry of their term.

The board of directors of the Company shall consist of six directors. The board shall have one chairman, who shall be elected by more than half of all directors.

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Directors may concurrently hold senior management personnel, but the total number of directors holding such positions and employee representative directors shall not exceed half of the total number of directors in the Company.

The board of directors shall include employee representatives of the Company. The employee representative in the Board shall be elected by employees of the Company at the employee representatives' meeting or the staff meeting or by other democratic means, and is not required to be submitted to the general meeting for consideration.

The board of directors shall exercise the following powers:

- (i) to convene general meetings and report on its work to the general meeting;
- (ii) to implement resolutions of the general meeting;
- (iii) to determine the Company's business plans and investment proposals;
- (iv) to formulate profit distribution plans and plans for making up losses of the Company;
- (v) to prepare plans for increasing or reducing registered capital, issuing bonds or other securities and listing plans;
- (vi) to formulate proposals for major acquisitions, purchase of shares of the Company, merger, division, dissolution or change of corporate form of the Company;
- (vii) within the scope of authority granted by the general meeting, to decide on matters relating to external investment, acquisition or disposal of assets, asset pledges, external guarantees, entrusted wealth management, and related (connected) transactions;
- (viii) to decide on the establishment of internal management structures of the Company;
- (ix) to appoint or remove the general manager of the Company; to appoint or remove deputy general managers, the person in charge of finance, the secretary to the board and other senior management personnel upon nomination by the general manager, and to determine their remuneration and rewards or penalties;
- (x) to formulate the basic management systems of the Company;
- (xi) to formulate proposals for amendments to the Articles of Association;
- (xii) to manage matters relating to information disclosure of the Company;
- (xiii) to propose to the general meeting the appointment or replacement of the accounting firm responsible for auditing the Company;

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(xiv) to hear reports of the general manager and review his/her work;

(xv) other powers conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the general meeting of shareholders.

The Board of Directors shall convene at least four meetings each year, approximately once per quarter, to be called by the Chairman with written notice to all directors at least fourteen days prior to the meeting. With the unanimous consent of all directors, the aforementioned notice period for convening regular Board meetings may be shortened or waived in accordance with relevant laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Shareholders holding more than one-tenth of the voting rights, a majority of independent directors, more than one-third of directors or the audit committee may propose to convene an extraordinary board meeting. The chairman shall convene and preside over the board meeting within ten days of receipt of such proposal.

Board meetings shall be held only if more than half of the directors are present. Resolutions of the board of directors shall be passed by more than half of all directors.

Senior Management Personnel

The Company shall have one general manager and several deputy general managers, who shall be appointed or removed by the board of directors. The general manager, deputy general managers, the person in charge of finance and the secretary to the board of directors shall be senior management personnel of the Company.

The provisions of the Articles of Association regarding circumstances under which a person may not serve as a director shall also apply to senior management personnel.

The provisions of the Articles of Association regarding the fiduciary duties and diligence duties of directors shall also apply to senior management personnel.

Persons holding administrative positions (other than directors or supervisors) in the controlling shareholder entity shall not serve as senior management personnel of the Company.

Senior management personnel of the Company shall receive remuneration only from the Company and not from the controlling shareholder.

The term of office of the general manager shall be three years, and he/she may be reappointed upon expiry of the term.

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The general manager shall be accountable to the board of directors and shall exercise the following powers:

- (i) to preside over the production and business management of the Company, organise the implementation of resolutions of the board of directors and report on work to the board of directors;
- (ii) to organise the implementation of the annual business plan and investment proposals of the Company;
- (iii) to formulate proposals for the establishment of internal management structures of the Company;
- (iv) to formulate the basic management systems of the Company;
- (v) to formulate specific rules and regulations of the Company;
- (vi) to propose to the board of directors the appointment or removal of deputy general managers, the person in charge of finance or other senior management personnel;
- (vii) to decide on the appointment or removal of management personnel other than those whose appointment or removal shall be decided by the board of directors;
- (viii) other powers conferred by the Articles of Association or the board of directors.

The secretary to the board of directors shall be nominated by the chairman of the board and appointed or removed by the board of directors. The secretary to the board shall be responsible for the preparation of general meetings of shareholders and meetings of the board of directors, the keeping of meeting minutes and records, the management of shareholder information, investor relations, information disclosure and other routine matters.

Financial Accounting System and Audit

The Company shall establish its financial accounting system in accordance with laws, administrative regulations, the requirements of the securities regulatory authority of the place where the Company's shares are listed, and the relevant provisions of national authorities.

The accounting year of the Company shall be the calendar year, commencing on 1 January and ending on 31 December. The periodic reports of the Company's H shares comprise annual reports and interim reports. The Company shall disclose a preliminary announcement of its annual results within three months of the end of each financial year, and shall prepare and disclose the annual report within four months of the end of each financial year and at least 21 days prior to the date of the annual general meeting.

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The Company shall disclose a preliminary announcement of interim results within two months of the end of the first six months of each financial year, and shall prepare and disclose the interim report within three months of the end of the first six months of each financial year.

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

Profit Distribution

When distributing the profit after tax for the current year, the Company shall allocate 10% of such profit to the statutory reserve fund. Where the accumulated amount of the statutory reserve fund has reached more than 50% of the registered capital of the Company, no further allocation is required.

In the event that the Company's statutory reserve fund is not sufficient to cover all the losses for the previous year, the profits for the current year shall be firstly used to cover the loss before making appropriation to the statutory reserve fund pursuant to the foregoing provisions.

After allocating to the statutory reserve fund from the profit after tax, the Company may, upon resolution of the general meeting, also allocate to discretionary reserve funds from the profit after tax.

The remaining profit after tax of the Company, after making up losses and allocating to reserve funds, shall be distributed to shareholders in proportion to their shareholdings, unless otherwise provided in the Articles of Association.

Where the general meeting distributes profits to shareholders in violation of the preceding provisions before making up losses and allocating to the statutory reserve fund, shareholders shall return the profits distributed in violation of the provisions to the Company. Where losses are caused to the Company, shareholders and directors or senior management personnel responsible shall bear liability for compensation.

Shares of the Company held by the Company shall not be entitled to profit distribution.

After the general meeting has resolved on the profit distribution plan, the board of directors shall complete the distribution of dividends (or shares) within two months after the general meeting.

The Company shall implement a continuous and stable profit distribution policy. Profit distribution of the Company shall focus on providing reasonable investment returns to investors, balancing the immediate and long-term interests of shareholders, and ensuring the sustainable development of the Company.

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Audit

The Company shall engage an accounting firm that complies with the Securities Law, the Hong Kong Listing Rules and the securities regulatory rules of the place where the Company’s shares are listed to conduct audits of financial statements, verification of net assets and other related consultancy services. The term of engagement shall be one year, subject to renewal. The audit fees of the accounting firm shall be determined by the general meeting of shareholders.

The Company shall ensure that the engaged accounting firm is provided with true and complete accounting vouchers, accounting books, financial reports and other accounting information, and shall not refuse, conceal or make false reports.

Dissolution and Liquidation

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

- (i) expiry of the business term stipulated in the Articles of Association or occurrence of other dissolution events as stipulated in the Articles of Association;
- (ii) a resolution of dissolution passed by the general meeting of shareholders;
- (iii) dissolution required due to merger or division of the Company;
- (iv) revocation of business licence, order to close down or deregistration in accordance with the law;
- (v) where the Company encounters serious difficulties in operation and management, and continuation would cause significant losses to shareholders’ interests, and no other means can resolve the situation, shareholders holding 10% or more of the total voting rights of the Company may petition the People’s Court for dissolution.

Where the Company is dissolved under items (i), (ii), (iv) or (v) above, a liquidation committee shall be formed within fifteen days from the occurrence of the dissolution event to carry out liquidation.

The liquidation committee shall be composed of directors or persons determined by the general meeting of shareholders. Where the liquidation committee is not formed within the prescribed period or fails to carry out liquidation after formation, interested parties may apply to the People’s Court to appoint relevant persons to form a liquidation committee to conduct liquidation.

APPENDIX IV

SUMMARY OF ARTICLES OF ASSOCIATION

The liquidation committee shall notify creditors within ten days of its establishment and shall make a public announcement within sixty days in the information disclosure media designated by the Company or the National Enterprise Credit Information Publicity System. Creditors shall declare their claims to the liquidation committee within thirty days of receipt of the notice, or within forty-five days of the announcement if no notice is received.

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

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

Upon acceptance of the bankruptcy application by the People's Court, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

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

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