

APPENDIX V

SUMMARY OF THE ARTICLES OF ASSOCIATION

This appendix summarizes the principal provisions of the Company’s Articles of Association which shall take effect on the date the H-shares are listed on the Hong Kong Stock Exchange. The main purpose of this appendix is to provide an overview of the Company’s Articles of Association for [REDACTED], so it may not contain all the data that is important to [REDACTED].

1 DIRECTORS AND BOARD OF DIRECTORS

(1) Power to Allot and Issue Shares

The Articles of Association do not contain clauses that authorize the Board of Directors to allot or issue shares. The Board of Directors shall formulate plans for increasing registered capital, issuance of bonds or other securities and listing, which are subject to approval by the general meeting. Any allotment or issue of shares shall be in accordance with the procedures stipulated in applicable laws, administrative regulations and regulatory rules.

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

The Board of Directors shall, within the scope authorized by the general meeting, determine the Company’s external investments, acquisition and sale of assets, asset mortgage, provision of guarantees to entities other than its subsidiaries, entrusted wealth management, connected transactions, external donations and other matters.

(3) Compensation or Payments for Loss of Office

The general meeting may remove any Director from office by resolution, which shall take effect from the date on which such resolution is made. Where a director is removed from office prior to the expiration of his/her term of office without justifiable reason, such 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) Provision of Financial Assistance for Purchasing Shares of the Company or Any of Its Subsidiaries

The Company or its subsidiaries (including affiliates of the Company) shall not provide financial assistance by way of gift, advance fund, guarantee, lending, or other means for others to acquire shares of the Company or its parent company, except when the Company implements employee stock ownership schemes.

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For the benefit of the Company, the Company may, upon a resolution by the general meeting or by the Board of Directors pursuant to the Articles of Association or the authorization of the general meeting, provide financial aids for others to obtain shares of the Company or its parent company, provided that the total accumulative amount of such financial aids shall not exceed 10% of the total issued share capital. A resolution by the Board of Directors shall be adopted by not less than two-thirds of all the directors.

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

Without reporting to the Board of Directors or the general meeting, and being approved by the Board of Directors or the general meeting meeting by way of resolutions in accordance with the provisions of the Articles of Association, no relevant person shall directly or indirectly enter into contracts or conduct transactions with the Company.

(7) Remuneration

The appointment and removal of the members of the Board of Directors, as well as their remuneration and payment methods, shall be approved by the general meeting by ordinary resolution.

(8) Retirement, Appointment, Removal

The Company shall have a Board of Directors which shall be accountable to the general meeting. The Board of Directors shall consist of 7 directors, which shall include 3 independent directors. The Board of Directors shall have at least one-third of independent directors, at least one of whom has appropriate professional qualifications or appropriate accounting or related financial management expertise in compliance with the requirements of the Listing Rules.

Directors shall be elected or replaced by the general meeting and may be removed by the general meeting before the expiry of his/her term of office. Each term of office of the Board of Directors shall be 3 years. A director may be re-elected and reappointed upon the expiry of his/her term of office, unless otherwise stipulated by the relevant laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

The term of office of a director shall commence from the date on which such director assumes office and shall expire on the date of expiry of the current term of the Board of Directors. If the term of office of a director expires but re-election is not carried out in a timely manner, the said director shall continue to perform the duties as director pursuant to the laws, administrative regulations, departmental rules and the Articles of Association until the newly elected director assumes office.

The general manager or other senior management personnel may concurrently serve as a Director, provided that the aggregate number of directors who concurrently serve as the general manager or other senior management personnel shall not exceed one half of the total number of directors of the Company.

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Directors of the Company must be natural persons, and none of the following persons may act as a director of the Company:

- i a person who has no civil capacity or has limited civil capacity;
- ii a person who has been sentenced to a criminal penalty for any of the following crimes and five years have not elapsed since the date on which execution of the sentence was completed: embezzlement, bribery, embezzlement and misappropriation of property, or sabotaging the socialist economic order, or has been deprived of his/her political rights as a result of a criminal conviction; where a suspended sentence is pronounced, a two-year period has not elapsed since the expiration of the suspension of sentence;
- iii a person who has served as a director, factory director or manager of an insolvent and liquidated company or enterprise and is held personally liable for such bankruptcy, and three years have not elapsed since the date when the bankruptcy and liquidation of such company or enterprise are completed;
- iv a person who has served as the legal representative of a company or enterprise whose business license has been revoked or has been ordered to close down due to any violation of law, and is held personally liable therefor, and three years have not elapsed since the date of the revocation or the order for closure of such company or enterprise;
- v a person who has been listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large sum of personal debts due;
- vi a person who has been banned from entering the securities market by the China Securities Regulatory Commission and such term has not expired;
- vii other circumstances as prescribed by laws, administrative regulations, departmental rules, or supervisory rules of the place where the shares of the Company are listed.

Any election, appointment or engagement of a director which violates the aforesaid provisions shall be void. A director who falls under any of the circumstance set out in the above paragraph during his/her term of office shall be dismissed by the Company.

(9) Borrowing Powers

Except that (a) the Board of Directors has the authority to formulate the proposal for the issuance of corporate bonds; and (b) the general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds, there are no provisions in the Articles of Association relating to the exercise of the power of borrowing by directors.

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2 AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

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

- (1) after the amendments are made to the *Company Law of the People’s Republic of China* or relevant laws, administrative regulations or the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the Listing Rules), the provisions of the Articles of Association are in conflict with the amended laws, administrative regulations or the Listing Rules;
- (2) there is a change in the Company’s situation, which is inconsistent with the matters recorded in the Articles of Association;
- (3) the general meeting decides to amend the Articles of Association.

The amendments to the Articles of Association adopted by the general meeting shall be submitted to the competent authorities for approval if they are subject to approval by the competent authorities. If any matter involves the registration of the Company, the Company shall go through the formalities for change of registration in accordance with the law.

3 VARIATION OF RIGHTS OF EXISTING SHARES OR CLASSES OF SHARES

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

4 SPECIAL RESOLUTIONS — MAJORITIES REQUIRED

Resolutions of the general meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by votes representing more than half of the voting rights represented by the shareholders (including proxies) present at the meeting.

A special resolution shall be passed by votes representing at least two-thirds of the voting rights represented by the shareholders (including proxies) present at the meeting.

The following matters shall be approved by ordinary resolutions at a general meeting:

- (1) work reports of the Board of Directors;
- (2) profit distribution plans and loss recovery plans formulated by the Board of Directors;

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- (3) appointment and removal of members of the Board of Directors, and their remuneration and method of payment for them;
- (4) the issuance of corporate bonds;
- (5) engagement and dismissal of an accounting firm;
- (6) matters other than those required by the laws, administrative regulations, and securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association to be adopted by special resolution.

The following matters shall be approved by special resolutions at a general meeting:

- (1) increase or reduction of the registered capital of the Company;
- (2) division, split, merger, dissolution, liquidation and change in corporate form of the Company;
- (3) amendments to the Articles of Association;
- (4) purchase or disposal of material assets or provision of external guarantee by the Company within 1 year with an amount exceeding 30% of the latest audited total assets of the Company, and the aforementioned provisions do not apply to guarantees provided by the Company for its subsidiaries, by subsidiaries for the Company and among subsidiaries;
- (5) share incentive scheme;
- (6) other matters stipulated by laws, administrative regulations or the Articles of Association, and other matters considered by the general meeting, by way of ordinary resolution, to have a material impact on the Company and need to be approved by special resolution.

If there are otherwise provisions in the regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

5 VOTING RIGHTS (GENERALLY AND BY MEANS OF VOTING)

Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, and each share shall have one vote.

The Company's shares held by the Company shall have no voting rights, and such shares shall not be included in the total number of voting shares attending the general meeting.

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If any shareholder, under applicable laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed, is required to abstain from voting on a particular resolution or is restricted to voting only for (or only against) a particular resolution, the number of votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Shareholders attending the general meeting shall express one of the following opinions on the proposal submitted for voting: affirmative, negative or abstention. Any ballot that is not completed, completed incorrectly, illegible, or not cast shall be deemed as the voter waiving his/her voting rights and the voting result for his/her shares shall be deemed as an “abstention”.

6 REQUIREMENTS FOR ANNUAL GENERAL MEETINGS

General meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once in each accounting year within six months after the end of the previous accounting year.

7 ACCOUNTS AND AUDIT

(1) Financial and Accounting Policies

The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the requirements of the relevant state authorities. If there are other provisions in the securities regulatory authorities of the place where the Company’s shares are listed, such provisions shall prevail.

The Company shall not establish other accounting books except for the statutory accounting books. The funds of the Company shall not be deposited in any account opened in the name of any individual.

(2) Appointment and Dismissal of Accounting Firms

The Company employs an accounting firm that complies with laws, regulations and the regulatory provisions of the place where shares of the Company are listed to conduct accounting statement audit, net asset verification and other related consulting services. The term of employment is one year, and such term may be renewed.

The employment and dismissal of accounting firms by the Company must be decided by the general meeting, and the Board of Directors shall not appoint accounting firms prior to the decision of the general meeting.

The Company shall guarantee to provide the accounting firm it employs with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials, and shall not refuse, conceal or make false statements.

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The Company shall notify the accounting firm 15 days in advance when dismissing or not renewing the employment of the accounting firm. The accounting firm shall be entitled to present its opinions when the general meeting votes on the dismissal of the accounting firm. If the accounting firm proposes to resign, it shall explain to the general meeting whether there is any impropriety on the part of the Company.

8 NOTICE OF MEETINGS AND BUSINESS TO BE CONDUCTED THEREAT

The Company shall convene an extraordinary general meeting within 2 months from the date of occurrence of any of the following circumstances:

- (1) the number of directors is less than the quorum stipulated in the *Company Law of the People's Republic of China* or less than two-thirds of the number specified in the Articles of Association;
- (2) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-in share capital;
- (3) when shareholders individually or jointly holding 10% or more of the Company's shares so request in writing;
- (4) when deemed necessary by the Board of Directors;
- (5) when proposed by the Audit Committee;
- (6) other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

General meetings shall be summoned by the Board of Directors in accordance with the law.

With the consent of a majority of all independent directors, independent directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. With respect to such proposal, the Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting within 10 days after receiving the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice to convene such meeting shall be issued within 5 days after the resolution of the Board of Directors is passed. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

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The Audit Committee shall have the right to propose in writing to the Board of Directors to convene an extraordinary general meeting. 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, give a written reply on whether to convene the extraordinary general meeting within 10 days after receipt of the proposal.

If the Board of Directors agrees to convene the extraordinary general meeting, a notice to convene such meeting shall be issued within 5 days after the resolution of the Board of Directors is passed. Any amendment to the original proposal contained in the notice is subject to the consent of the Audit Committee.

If the Board of Directors does not agree to convene the extraordinary general meeting, or fails to give a reply within 10 days of receipt of the proposal, it is deemed that the Board of Directors is unable to perform or fails to perform its duty to convene a general meeting, and the Audit Committee may convene and preside over such meeting on its own.

The shareholder(s) individually or collectively holding ten percent (10%) or more of the Company's shares (excluding the voting rights attached to treasury shares) shall be entitled to request the Board of Directors to convene an extraordinary general meeting and add proposals to the meeting agenda, and shall put forward such request to the Board of Directors in writing. The written request shall state the subject of the meeting and present a complete proposal. The Board of Directors shall, pursuant to laws, administrative regulations and the Articles of Association, provide written feedback on whether to approve or disapprove the convening of an extraordinary general meeting within ten (10) days upon receipt of the request.

Where the Board of Directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within five (5) days after the resolution is made by the Board of Directors, and any amendment to the original request set out in the notice shall be subject to the consent of the relevant shareholders. Where otherwise provided by laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Where the Board of Directors does not agree to convene an extraordinary general meeting or fails to give feedback within ten (10) days after it receives the request, the shareholders who individually or collectively hold 10% or more of the Company's shares shall have the right to propose to the Audit Committee to convene an extraordinary general meeting, and shall put forward such request to the Audit Committee in writing.

The Audit Committee shall, in accordance with laws, administrative regulations and the Articles of Association, provide written feedback on whether it agrees to convene such extraordinary general meeting within ten (10) days from the date of receipt of the request. Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene such meeting within five (5) days after receipt of the request. Any amendment to the original request contained in the notice shall be subject to the consent of the relevant shareholders.

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If the Audit Committee fails to issue the notice of the general meeting within the prescribed time limit, it shall be deemed that the Audit Committee refuses to convene and preside over the general meeting, and shareholders who have held 10% or more of the Company's shares individually or collectively for 90 consecutive days or more may convene and preside over such meeting on their own.

If the Audit Committee or any shareholder(s) decides to convene a general meeting by itself/themselves, the Audit Committee or the relevant shareholder(s) shall notify the Board of Directors in writing. Prior to the adoption of the resolution at such general meeting, the shareholders convening such meeting shall hold no less than 10% of the Company's shares.

When the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholders individually or jointly holding 1% or more of the Company's shares shall have the right to submit proposals to the Company. Shareholders individually or jointly holding 1% or more of the Company's shares may submit ad hoc proposals in writing to the convener 10 days before a general meeting is convened. The convener shall, within 2 days upon receipt of the proposal, issue a supplementary notice of the general meeting and announce the content of the ad hoc proposal, and submit such ad hoc proposal to the general meeting for deliberation, unless such ad hoc proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall within the scope of the functions and powers of the general meeting. Prior to the adoption of the resolution at the general meeting, the shareholding ratio of the shareholders who propose the ad hoc proposal shall not be less than 1%.

Except for the circumstances provided in the preceding paragraph, laws and administrative regulations, the convener shall not amend the proposals set out in the notice of the general meeting or add any new proposals after issuing the notice of the general meeting.

Proposals which are not specified in the notice of the general meeting or which do not comply with the Articles of Association shall not be voted on and adopted at the general meeting.

The convener shall notify all shareholders by written notice at least 21 days prior to the date of convening the annual general meeting and at least 15 days prior to the date of convening the extraordinary general meeting. Where otherwise provided for by laws, administrative regulations or the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail. If the general meeting needs to be postponed due to the issuance of a supplemental notice of the general meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the convening of the general meeting shall be postponed pursuant to such regulatory rules.

The date of the general meeting shall be excluded when the Company calculates the relevant time periods. With the unanimous consent of all shareholders, the time limit for advance notice of the aforesaid extraordinary general meeting may be waived.

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9 TRANSFER OF SHARES

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

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

Shares issued by the Company prior to its public offering of shares shall not be transferred within one (1) 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 report to the Company their shareholdings in the Company and any changes thereof, and shall not transfer more than 25% of the total number of the Company's shares held by them each year during their term of office as determined when they assume their respective offices; the shares of the Company held by them shall not be transferred within one (1) year from the date of the listing and trading of the Company's shares on a stock exchange. The aforementioned persons shall not transfer the shares of the Company held by them within half a year after their resignation.

If there are other restrictions on the transfer of overseas listed shares imposed by relevant provisions of the securities regulatory authority and the stock exchange of the place where the Company's shares are listed, such provisions shall prevail.

10 POWER OF THE COMPANY TO REPURCHASE ITS OWN SHARES

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

- (1) reducing the registered capital of the Company;
- (2) merging with another company that holds shares in the Company;
- (3) using such shares for an employee stock ownership plan or equity incentive plans;
- (4) a shareholder raising an objection to the resolution on the Company's merger or division adopted at a general meeting and demanding the Company to buy back his/her shares;
- (5) using such shares for the conversion of corporate bonds issued by the Company that are convertible into equity shares;
- (6) where it is necessary for the Company to safeguard its value and shareholders' rights and interests;
- (7) other circumstances as permitted by laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the shares of the Company are listed, and other relevant provisions.

The Company shall not engage in the trading of its shares except for the circumstances specified above.

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Where the Company repurchases its shares under the circumstances set out in items (1) and (2) above, such acquisition shall be subject to a resolution adopted by the general meeting of the Company. Where the Company repurchases its shares under the circumstances set out in items (3), (5) and (6) above, such acquisition shall be subject to a resolution adopted by a meeting of the Board of Directors attended by more than two-thirds of the directors.

Where the Company repurchases its shares under the circumstances set out in item (1) above, such shares shall be cancelled within ten (10) days from the date of repurchase; where the Company repurchases its shares under the circumstances set out in items (2) and (4) above, such shares shall be transferred or cancelled within six (6) months; where the Company repurchases its shares under the circumstances set out in items (3), (5) and (6) above, the total number of the Company’s own shares held by it shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within three (3) years.

Where relevant laws and regulations, regulatory documents and the securities regulatory rules of the place where the shares of the Company are listed otherwise provide for matters related to the aforesaid share repurchase, such provisions shall prevail provided that they do not violate the *Company Law of the People’s Republic of China* and the *Securities Law of the People’s Republic of China*.

11 POWER OF ANY SUBSIDIARY OF THE COMPANY TO OWN SHARES IN ITS PARENT COMPANY

The Company’s subsidiaries (including the Company’s affiliated enterprises) shall not provide financial assistance in the form of gifts, capital advances, guarantees or loans, etc. to any person for the acquisition of shares in the Parent Company, except for the implementation of the Company’s employee stock option plans.

12 DIVIDENDS AND OTHER METHODS OF DISTRIBUTION

The Company shall distribute profits by way of cash, stocks, a combination of cash and stocks or other ways permitted by laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed.

The Company’s profit distribution plan is formulated by the Board of Directors, and after being approved by the Board of Directors, it is submitted to the general meeting for consideration and approved by ordinary resolutions.

After the Company’s general meeting makes a resolution on the profit distribution plan, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within 6 months after the general meeting is held.

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If the general meeting distributes profits to shareholders in violation of the *Company Law of the People’s Republic of China*, the shareholders shall return the relevant profits to the Company; if losses are caused to the Company, shareholders, responsible directors and senior management personnel shall be liable for compensation.

The shares of the Company held by it are not entitled to any profits distribution.

13 PROXIES

All shareholders registered on the record date or their proxies are entitled to attend the general meeting and speak at the general meeting, and shall exercise their voting rights in accordance with relevant laws, regulations and the Articles of Association, unless individual shareholders are required to abstain from voting on individual matters according to the securities regulatory rules of the place where the Company’s shares are listed (for example, where a shareholder holds a material interest in individual transactions or arrangements being voted on). Shareholders may attend the general meeting in person, or they can entrust a proxy to attend and vote on their behalf.

Individual shareholders who attend the meeting in person shall produce their identity cards or other valid identity documents or certificates and shareholding certificates. Where a proxy attends the meeting on behalf of an individual shareholder, such proxy shall also present his/her valid identity cards and the power of attorney of the shareholder. A corporate shareholder shall be represented at the meeting by its legal representative or a proxy appointed by its legal representative. If a legal representative attends the meeting, he/she should present his/her identity card, and a valid certificate evidencing his/her capacity as the legal representative; if a proxy attends the meeting, the proxy should present his/her identity card, a written power of attorney issued by the legal representative of the corporate shareholder (save for a recognized clearing house or its proxy), or a proxy form signed by a person duly authorized by such corporate shareholder. If such corporate shareholder has appointed a representative to attend the general meeting, such corporate shareholder shall be deemed to be present in person.

If the shareholder is a recognized clearing house as defined in the relevant ordinances enacted from time to time under the laws of Hong Kong (or its proxy), the shareholder may authorize one or more persons as it thinks fit to act as its representative(s) at any general meetings and creditors’ meetings; however, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is authorized, and shall be executed by the authorized person of the recognized clearing house. The person so authorized may attend the meeting on behalf of the recognized clearing house (or its proxy) (without being required to present a share certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized) to exercise the rights, including the rights to speak and vote, as if he/she were an individual shareholder of the Company.

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The power of attorney for appointing a proxy to attend the general meeting issued by a shareholder shall include the following information:

- (1) The principal’s name or title, as well as the class and number of shares of the Company held by the principal;
- (2) The proxy’s name or title;
- (3) Specific instructions from shareholders, including instructions on voting “for”, “against” or “abstain” on each matter included in the agenda of the general meeting for deliberation;
- (4) The date of issuance of the power of attorney and its validity period;
- (5) The signature (or seal) of the principal; If the principal is a corporate shareholder or a partnership shareholder, the seal of the legal entity or partnership shall be affixed; if an overseas corporate shareholder does not have an official seal, the document may be signed by a duly authorized person of such shareholder.

Where the securities regulatory rules of the place where the Company’s shares are listed have special provisions on the power of attorney, such provisions shall prevail.

14 CALLS ON SHARES AND FORFEITURE OF SHARES

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

15 INSPECTION ON REGISTER OF SHAREHOLDERS

The Company has established a register of shareholders in accordance with the *Company Law of the People’s Republic of China* and other relevant regulations and the Articles of Association. 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 classes of shares they hold; shareholders holding the same class of shares shall enjoy equal rights and assume the same obligations.

When the Company convenes a general meeting, distributes dividends, conducts liquidation or engages in other activities that require the confirmation of the identity of shareholders, the Board of Directors or the convener of the general meeting shall determine the share registration record date. Shareholders registered on the share registration record date shall be entitled to the relevant rights and interests. Where laws, administrative regulations, departmental rules, regulatory documents, and the stock exchanges or regulatory authorities of the place where the Company’s shares are listed contain provisions on the suspension period of share transfer registration, such provisions shall prevail.

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16 QUORUM FOR GENERAL MEETINGS AND SEPARATE CLASS MEETINGS

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

17 RIGHTS OF MINORITY SHAREHOLDERS IN CASES OF FRAUD OR OPPRESSION

If directors or senior management personnel other than members of the Audit Committee violate laws, administrative regulations, or the provisions of the Articles of Association in performing the duties of the Company, causing losses to the Company, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days shall have the right to request in writing that the Audit Committee file a lawsuit with the people's court; where a member of the Audit Committee violates laws, administrative regulations, or the provisions of the Articles of Association while performing the duties of the Company, causing losses to the Company, the aforementioned shareholders may request in writing that the Board of Directors file a lawsuit with the people's court. If the Audit Committee or the Board of Directors refuses to file a lawsuit after receiving a written request from the shareholders specified above, or fails to file a lawsuit within 30 days from the date of receiving the request, or if the situation is urgent and failure to file a lawsuit immediately will cause irreparable damage to the Company's interests, the shareholders specified above shall have the right to directly file a lawsuit in their own name to the people's court for the interests of the Company.

If directors or senior management personnel violate laws, administrative regulations, or the provisions of the Articles of Association and harm the interests of shareholders, the shareholders may file a lawsuit with the people's court.

If shareholders of the Company abuse their shareholder rights and cause losses to the Company or other shareholders, they shall bear compensation liability in accordance with the law. If a shareholder of the Company abuses the independent status of the Company as a legal person and the limited liability of shareholders, evades debts, and seriously harms the interests of the Company's creditors, they shall bear joint and several liability for the Company's debts. Where a shareholder commits the acts specified in the preceding paragraph through two or more companies under its control, each company shall bear joint and several liability for the debts of any of such companies.

The controlling shareholders, actual controllers, the directors or senior management personnel of the Company shall not use their related party relationships to harm the interests of the Company. Those who violate aforesaid regulations and cause losses to the Company shall be liable for compensation. The controlling shareholders and actual controllers of the Company owe fiduciary obligations towards the Company and the public shareholders of the Company. The controlling shareholder shall strictly exercise their rights as capital contributors in accordance with the law, and shall not impair the legitimate rights and interests of the

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Company and the public shareholders of the Company by means of profit distribution, asset restructuring, external investment, fund occupation, loan guarantee and other means, nor shall they use their controlling position to harm the interests of the Company and the public shareholders of the Company.

18 PROCEDURES ON LIQUIDATION

The Company shall be dissolved for the following reasons:

- (1) the term of its operations stipulated in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;
- (2) the general meeting adopts a resolution to dissolve the Company;
- (3) dissolution is necessary due to merger or division of the Company;
- (4) the Company's business licence is revoked, the Company is ordered to close or has been dissolved by law;
- (5) where the Company encounters serious difficulties in its operation and management and its continuous existence will cause significant losses to the interests of shareholders, and such difficulties cannot be resolved through other means, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company.

If any of the above dissolution events occurs, the reasons for dissolution shall be publicized through the National Enterprise Credit Information Publicity System within ten (10) days.

In the case of circumstances specified in item (1) or (2), if no assets have been distributed to shareholders, the Company may continue to exist by amending the Articles of Association or by a resolution of the general meeting. Such a resolution requires the approval of shareholders representing at least two-thirds of the voting rights present at the general meeting.

Where the Company is dissolved pursuant to items (1), (2), (4) and (5) above, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall form a liquidation committee to carry out liquidation within 15 days from the date of the cause of dissolution arises. The liquidation committee shall be composed of directors, unless otherwise stipulated in the Articles of Association or a resolution is passed by the shareholders' meeting to elect other persons. If the liquidation obligor fails to perform the liquidation obligation in a timely manner, causing losses to the Company or creditors, he/she shall be liable for compensation.

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Where a liquidation committee is not established within the specified time limit or where liquidation is not conducted after the formation of the liquidation committee, interested parties may apply to the people’s court to designate relevant personnel to form a liquidation committee to carry out liquidation.

The liquidation committee shall notify creditors within 10 days from the date of its establishment, and publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 60 days.

After cleaning up the Company’s assets and preparing a balance sheet and an inventory of assets, if the liquidation committee discovers that the Company’s assets are insufficient to repay its debts, it shall apply to the people’s court for bankruptcy liquidation in accordance with the law.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report, which shall be submitted to the general meeting or the people’s court for confirmation, and filed with the company registration authority. The committee shall then apply for cancellation of the company’s registration and announce the termination of the Company.

19 OTHER PROVISIONS MATERIAL TO THE COMPANY OR THE SHAREHOLDERS THEREOF

(1) General Provisions

Our Company is a joint stock limited company with perpetual existence.

All the assets of the Company are divided into shares of equal value. The shareholders shall be liable to the Company to the extent of their subscribed shares, and the Company shall be liable for its debts with all of its assets.

The Articles of Association shall, upon effectiveness, constitute a legally binding document that regulates the organization and activities of the Company and the rights and obligations between the Company and its shareholders, and those among the shareholders, and shall be legally binding on the Company, its shareholders, directors and senior management personnel. Based on the Articles of Association, a shareholder may initiate a lawsuit against another shareholder, a shareholder may initiate a lawsuit against a director or a senior management person of the Company, a shareholder may initiate a lawsuit against the Company, and the Company may initiate a lawsuit against a shareholder, director or senior management personnel.

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(2) Capital Increase and Capital Reduction

The Company may, based on its business and development needs and in accordance with laws and regulations, increase its capital by the following ways, subject to respective resolutions of the general meeting:

- i Issuing shares by way of public offering;
- ii Issuing shares by way of private placement;
- iii Distributing bonus shares to its existing shareholders;
- iv Conversion of capital reserve into share capital;
- v Other methods stipulated by laws, administrative regulations, and as approved by relevant regulatory authorities such as the China Securities Regulatory Commission and the regulatory authority of the place where the Company’s shares are listed.

Any increase in the registered capital of the Company, after being approved in accordance with the Articles of Association, shall be conducted in accordance with the procedures under relevant laws and the Listing Rules.

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

The Company shall reduce its registered capital in accordance with the procedures stipulated in the *Company Law of the People’s Republic of China* and other relevant regulations as well as the Articles of Association.

(3) Shareholders

Shareholders of the Company shall enjoy the following rights:

- i to receive dividends and other distributions in proportion to their respective shareholdings;
- ii to request to convene, summon, preside over, attend or appoint a proxy to attend general meetings, to speak at such meetings, and to exercise corresponding voting rights in accordance with the law;
- iii to supervise the operation of the Company, and to make suggestions or raise inquiries;
- iv to transfer, gift, or pledge their shares in accordance with laws, administrative regulations and the Articles of Association;

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- v to consult and copy the Articles of Association, the register of shareholders, minutes of general meetings, resolutions of the Board of Directors' meetings, and financial and accounting reports;
- vi in the event of the Company's termination or liquidation, to participate in the distribution of the remaining assets of the Company in proportion to their respective shareholdings;
- vii for a shareholder who dissents from a resolution of the general meeting on the merger or division of the Company, to require the Company to repurchase his/her shares;
- viii other rights stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Shareholders of the Company shall assume the following obligations:

- i to abide by laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- ii to pay capital contribution in accordance with the number of shares subscribed for and the method of capital contribution;
- iii not to withdraw his/her capital contributions unless under the circumstances stipulated by laws and regulations;
- iv not to abuse their shareholder rights to harm the interests of the Company or other shareholders; not to abuse the Company's independent legal entity status and the shareholders' limited liability to harm the interests of the Company's creditors;
- v other obligations imposed by laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

(4) Board of Directors

The Board of Directors shall exercise the following powers:

- i to summon general meetings and report on its work to the general meetings;
- ii to implement the resolutions of the general meeting;
- iii to decide on the Company's business plans and investment plans;
- iv to formulate the Company's profit distribution plans and loss recovery plans;

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- v to formulate plans for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities and listing plans;
- vi to formulate plans for merger, division, dissolution and change in corporate form of the Company;
- vii to decide on matters including the Company's external investment, acquisition and disposal of assets, pledge of assets, provision of guarantees for entities other than its subsidiaries, entrusted wealth management, connected transactions, and external donations within the scope authorized by the general meeting or in accordance with the securities regulatory rules of the place where the Company's shares are listed;
- viii to decide on the establishment of the Company's internal management bodies;
- ix to decide on appointment or removal of the Company's general manager and their remuneration, and on the appointment and removal of other senior management personnel based on the nomination by the general manager, as well as and their remuneration, rewards and punishments;
- x to formulate the basic management system of the Company;
- xi to formulate proposals for amendments to the Articles of Association;
- xii to propose to the general meeting the appointment or replacement of the accounting firm that audits the Company;
- xiii to listen to the work report of the general manager of the Company and inspect his/her work;
- xiv other functions and powers conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

(5) Duties of Directors

Directors shall abide by laws, administrative regulations and the Articles of Association, take measures to avoid conflicts between their own interests and those of the Company, and shall not seek any improper interests by taking advantage of their powers and shall owe the following fiduciary duties to the Company:

- i Directors shall not embezzle the Company's property and misappropriate the Company's funds;
- ii Directors shall not deposit Company's funds into accounts opened in their own names or in the name of other individuals;

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- iii Directors shall not solicit or accept bribes or other illegal gains by taking advantage of their powers;
- iv Directors shall not, directly or indirectly, enter into contracts or engage in transactions with the Company, without reporting to the Board of Directors or the general meeting and obtaining approval by resolution of the Board of Directors or the general meeting as stipulated in the Articles of Association;
- v Directors shall not use their positions to pursue business opportunities that belong to the Company either for their own account or for the account of any other person, unless they have reported to the Board of Directors or the general meeting and obtained approval by resolution of the general meeting or as required by laws, administrative regulations and the Articles of Association;
- vi Directors shall not engage in business identical or similar to that of the Company either for themselves or on behalf of others, without reporting to the Board of Directors or the general meeting and obtaining approval by resolution of the general meeting;
- vii Directors shall not accept commissions arising from transactions between others and the Company for their own benefit;
- viii Directors shall not disclose the Company's secrets without authorization;
- ix Directors shall not abuse affiliations to damage the Company's interests;
- x Other fiduciary obligations stipulated in laws, administrative regulations, departmental rules and the Articles of Association.

Any gains obtained by a director in violation of above provisions shall be surrendered to the Company; if any loss is incurred by the Company as a result thereof, the director shall be liable for compensation.

The aforesaid provisions of item (4) shall apply to contracts concluded or transactions conducted with the Company by close relatives of directors and senior management personnel, enterprises directly or indirectly controlled by directors and senior management personnel or their close relatives, as well as connected persons having other relevant relationships with directors and senior management personnel.

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Directors shall abide by laws, administrative regulations and the Articles of Association, exercise the reasonable care ordinarily expected of a manager, acting for the best interests of the Company when performing their duties. Directors owe the following duties of diligence to the Company:

- i Directors shall prudently, earnestly and diligently exercise the powers granted by the Company, to ensure the Company's business complies with state laws, administrative regulations and economic policies, and that its business activities remain within the scope specified in its business license;
- ii Directors shall treat all shareholders fairly;
- iii Directors shall maintain a timely understanding of the Company's operational and management status;
- iv Directors shall sign written statements to confirm the Company's periodic reports, and ensure the information disclosed by the Company is true, accurate and complete;
- v Directors shall provide accurate information and data to the Audit Committee and shall not obstruct the Audit Committee from exercising its authority;
- vi Other duties of diligence stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where shares of the Company are listed and the Articles of Association.

The Company shall establish a system for managing the departure of directors, which specifies safeguards for pursuing liability and seeking compensation for unfulfilled public commitments and other unresolved matters. Upon a director's resignation becoming effective or upon the expiry of his/her office, the director shall complete all handover procedures with the Board of Directors, and his/her fiduciary obligations to the Company and the shareholders shall not automatically terminate upon the end of the term and shall remain effective for two years after the resignation becomes effective or the term expires. A director's liabilities arising from the performance of his/her duties during the term of office shall not be relieved or terminated as a result of his/her departure.

The director's obligation to maintain the confidentiality of the Company's business secrets shall remain valid after his/her resignation takes effect or the term expires, until such secrets become public. The duration of other obligations shall be determined based on the principle of fairness.

Where a director violates laws, administrative regulations, departmental rules or the Articles of Association in performing his/her duties, thereby causing loss to the Company, he/she shall be liable for compensation. Directors who terminate their office before the end of the term without approval shall compensate the loss suffered by the Company as a result thereof.

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The Company shall be liable for any damages to others caused by a director while performing his/her duties. Where such damage results from the director’s intentional act or gross negligence, the director shall also be liable.

(6) Independent Non-executive Director

The Board of Directors shall consist of 7 directors, including 3 independent directors. At least one-third of the directors on the Board of Directors shall be independent directors, and at least one of the independent directors shall possess appropriate professional qualifications or appropriate expertise in accounting or related financial management, as required by the Listing Rules. All independent directors shall satisfy the independence criteria set out in the Listing Rules.

(7) Audit Committee

The Board of Directors shall set up an Audit Committee to exercise the functions and powers of the Board of Supervisors as stipulated in the *Company Law of the People’s Republic of China*. The Audit Committee shall consist of 3 members, who shall be directors not serving as senior management personnel of the Company, including 2 independent directors, and the convener of the Committee shall be an independent director with accounting expertise.

Meetings of the Audit Committee shall be either regular or interim. Regular meetings shall be held at least twice a year (once every half year) and shall be held prior to the regular meetings of the Board of Directors of the Company to discuss opinions and recommendations to be submitted to the Board of Directors. A meeting of the Audit Committee shall only be held when more than two-thirds of its members are present.

Resolutions of the Audit Committee shall be adopted by an affirmative vote of more than half of its members.

Each member of the Audit Committee shall have one vote when resolutions are put to a vote.

Minutes of the Audit Committee meetings shall be prepared in accordance with applicable requirements. Members present at the meeting shall sign the minutes.

(8) General Manager

The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors. The general manager shall be accountable to the Board of Directors and shall exercise the following powers:

- i to be in charge of the production, operation and management of the Company, organize the implementation of the Board of Directors’ resolutions and report to the Board of Directors;

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- ii to organize the implementation of the Company's annual business plans and investment plans;
- iii to prepare plans for the establishment of the Company's internal management bodies;
- iv to prepare the basic management system of the Company;
- v to formulate the specific rules and regulations of the Company;
- vi to propose to the Board of Directors to appoint or dismiss other senior management personnel of the Company;
- vii to decide on the appointment or removal of management personnel other than those whose appointment or removal falls within the authority of the Board of Directors;
- viii to prepare the salary, welfare, reward and punishment systems for the Company's employees, and to decide on the appointment and dismissal of the Company's employees;
- ix to review and approve the purchase and disposal of fixed assets within the scope authorized by the Board of Directors;
- x to review and approve the investment matters within the scope authorized by the Board of Directors;
- xi to decide on matters relating to operating loans for the Company and its subsidiaries;
- xii to exercise other powers conferred by the Articles of Association or the Board of Directors.

If the general manager does not concurrently serve as a director, he/she shall attend meetings of the Board of Directors.

(9) Reserves

In distributing its current-year after-tax profits, the Company shall allocate 10% of the profit to its statutory reserve fund. No further allocation to the statutory reserve fund is required once the cumulative amount thereof reaches 50% or more of the Company's registered capital.

Where the statutory reserve fund is not sufficient to cover losses incurred in previous years, the current year's profit shall be used to cover such losses before any allocation is made to the statutory reserve fund as provided in the preceding paragraph.

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

After the Company has covered its losses and made allocations to the reserve funds, the remaining after-tax profit shall be distributed among the shareholders in proportion to their respective shareholdings, unless otherwise provided in the Articles of Association.

The Company's reserve funds shall be used to cover the Company's losses, expand its production and operations, or be converted into increased registered capital.

When using reserve funds to offset losses, the Company shall use the discretionary reserve and the statutory reserve first. If the losses still cannot be fully offset, the capital reserve may be used in accordance with the relevant provisions.

When converting the statutory reserve into registered capital, the balance of the statutory reserve retained shall be no less than 25% of the Company's registered capital immediately before the conversion.

If the Company still has losses after offsetting them in accordance with the aforesaid provisions, it may reduce its registered capital to offset the remaining losses. Where the registered capital is reduced to offset losses, the Company shall not make any distributions to shareholders, nor shall it exempt shareholders from their obligations to make capital contributions or pay for shares.

After the Company reduces its registered capital in accordance with the two preceding paragraphs, it shall not distribute any profits until the accumulated amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.