
APPENDIX V SUMMARY OF THE ARTICLES OF ASSOCIATION

This appendix is primarily intended to provide potential investors with an overview of the Articles of Association; as it is only a summary, it does not include all contents that may be material to potential investors.

ISSUANCE OF SHARES

The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights. Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual subscribing to the shares shall pay the same price for each share.

The Company or its subsidiaries (including its affiliated companies) shall not, by way of a gift, advance, guarantee, compensation, loans etc., provide any assistance to a person who acquires or intends to acquire the shares of the Company, except for the implementation of employee stock ownership plans by the Company.

In the interest of the Company, the Company may, upon a resolution of the shareholders’ meeting or a resolution of the Board of Directors (the “Board”) in accordance with the Articles of Association or authorization by the shareholders’ meeting, and subject to applicable laws and regulations as well as the securities regulatory rules of the place where the Company’s shares are listed, and upon fulfilling the relevant procedures as stipulated above, provide financial assistance for others to acquire shares of the Company or its parent company, provided that the aggregate amount of such financial assistance shall not exceed 10% of the total amount of the issued share capital. Any resolution made by the Board in this regard shall be approved by more than two-thirds of all the directors.

INCREASE, DECREASE AND REPURCHASE OF SHARES

In light of the Company’s operational and developmental needs, the Company may increase its registered capital in accordance with the laws, regulations and securities regulatory rules of the place where the Company’s shares are listed subject to respective resolution of the shareholders’ meeting, by following methods:

- (i) issuance of shares to non-specific investors;
- (ii) issuance of shares to specific investors;
- (iii) distribution of bonus shares to existing shareholders;
- (iv) converting the reserve funds into share capital;
- (v) other means stipulated by the laws, administrative regulations, the CSRC and other securities regulatory authorities of the place where the Company’s shares are listed.

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The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures set out in the Company Law, the securities regulatory rules of the place where the Company's shares are listed and other relevant regulations as well as the Articles of Association.

The Company shall not repurchase its own shares, except in any one of the following circumstances:

- (i) to reduce the Company's registered capital;
- (ii) to merger with other companies holding the Company's shares;
- (iii) to use shares for employee stock ownership plans or equity incentives;
- (iv) to acquire the shares of shareholders who have voted against the resolutions on the merger or division of the Company at a shareholders' meeting upon their request;
- (v) to use the shares for conversion of corporate bonds issued by the Company that could be converted into its share certificates;
- (vi) when it is necessary for the Company to preserve its value and its shareholders' interest.

The Company shall not engage in any activities of dealing in its shares save for the circumstances specified above.

The Company may acquire its own shares by means of public centralized trading or other means that are recognized by laws, administrative regulations, the CSRC and other regulatory authorities of the place where the Company's shares are listed. If the Company repurchases its own shares under the circumstances set out in items (iii), (v) and (vi) of the preceding paragraph, it shall be conducted by means of public centralized trading.

If the Company repurchases its own shares under the circumstances set out in items (i) and (ii) of the preceding paragraph, resolutions related thereto shall be adopted at a shareholders' meeting. If the Company repurchases its own shares under the circumstances set out in items (iii), (v) and (vi) of the preceding paragraph, resolutions related thereto shall be adopted at the Board meeting with more than two-thirds of the directors attending subject to securities regulatory rules of the place where the Company's shares are listed.

Subject to compliance with applicable securities regulatory rules of the place where the Company's shares are listed, after the Company repurchases its own shares in accordance with the Articles of Association, if it falls under item (i) above, the shares shall be canceled within 10 days from the date of repurchase; if it falls under items (ii) and (iv), the shares shall be transferred or canceled within 6 months; if it falls under items (iii), (v) and (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and the shares shall be transferred or canceled within 3 years.

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TRANSFER OF SHARES

Shares already issued by the Company before the initial public offering of A Shares shall not be transferred within 1 year of the date on which the A Shares of the Company are listed and traded on the stock exchange.

The directors and senior management of the Company shall report to the Company their shareholdings and the changes thereof, and shall not transfer more than 25% of the total shares of the same class of the Company held by them each year during their term of office as determined at the time of appointment; the shares of the Company held by them shall not be transferred within 1 year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by them within six months from the date of their resignations. If the listing rules of the place where the Company’s shares are listed contain other provisions regarding the restrictions on the transfer of the Company’s shares, such provisions shall prevail.

Where the shareholders holding more than 5% of the Company’s shares, directors or senior management members sell the Company’s shares or other securities of an equity nature held by them within 6 months after purchase, or repurchase them within 6 months after sale, the proceeds so earned shall belong to the Company, and the Board of the Company shall recover the proceeds, except for the securities companies holding more than 5% of the shares as a result of the purchase of the untaken shares after underwriting and in other circumstances stipulated by the securities regulatory authority under the State Council. If the listing rules of the place where the Company’s shares are listed provide otherwise on restrictions on transfers of the Company’s shares, such provisions shall prevail.

SHAREHOLDERS

The Company shall establish a register of shareholders based on the certificates provided by the share registrar. The register of shareholders shall be sufficient evidence proving the shareholders’ holding of the Company’s shares. The original register of holders of H shares listed in Hong Kong shall be maintained in Hong Kong and available for inspection by shareholders, whilst the Company may close the register of shareholders in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the Company’s shares are listed. In the event that any shareholder whose name is recorded in or any person who requests to have his/her name entered in the H Share register loses his/her share certificate(s), he/she may apply to the Company for replacement of new share certificate(s) in respect thereof. Where a H shareholder loses his/her share certificate(s) and applies for replacement, such application shall be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original copy of the H Share register is maintained. Shareholders shall enjoy rights and assume obligations according to the class of shares held by them. Shareholders who hold shares of the same class shall enjoy equal rights and assume equal obligations. For the purpose of this Article, A Shares and H Shares of the Company shall be deemed as shares of the same class.

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Shareholders of the Company shall enjoy the following rights: (i) to receive distribution of dividends and other forms of benefits according to the proportion of shares held; (ii) to legally request to convene, preside over, participate in or authorize proxies to attend the shareholders' meeting and exercise corresponding voting rights; (iii) to supervise the operations of the Company, provide suggestions or submit queries; (iv) to transfer, grant or pledge the shares held by them in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the shares are listed and the Articles of Association; (v) to access to and make copy of the Articles of Association, the register of shareholders, minutes of the shareholders' meeting, resolutions of Board meetings, financial and accounting reports, and shareholders who meet the stipulated requirements may inspect the Company's accounting books and accounting vouchers; (vi) to participate in the distribution of the remaining assets of the Company according to the proportion of shares held upon the Company's termination or liquidation; (vii) to acquire the shares of shareholders who have voted against the resolutions on the merger or division of the Company at a shareholders' meeting upon their request; (viii) other rights stipulated 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.

Shareholders who request to inspect the relevant information mentioned in the preceding article or demand materials shall comply with the provisions of laws and administrative regulations such as the Company Law, the Securities Law, and the securities regulatory rules of the place where the Company's shares are listed.

If the content of the resolutions of the shareholders' meeting or the Board is in violation of laws and administrative regulations, shareholders are entitled to request the people's court to invalidate such resolutions. If the procedures for convening and voting method of the shareholders' meeting and the Board meetings are in violation of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association or the content of the resolutions violates the Articles of Association, shareholders may request the people's court to revoke such resolutions within 60 days from the date of the resolutions, except for those with only minor defects in the convening procedures or voting method of a shareholders' meeting or Board meeting and without material impact on resolutions.

If a director other than members of the audit committee or senior management member causes losses to the Company by violating the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association during performance of his/her duties, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days have the right to request the audit committee in writing to initiate legal proceedings at the people's court; if a member of the audit committee causes losses to the Company by violating the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association during performance of his/her duties, the aforesaid shareholders may request the Board in writing to initiate legal proceedings at the people's court.

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If the audit committee or the Board refuses to initiate legal proceedings after receiving the written request from shareholders as stipulated in previous paragraph, or fails to initiate legal proceedings within 30 days since the date of receiving the request, or does not initiate legal proceedings immediately in case of emergency where any delay would cause irreparable losses to the Company’s interests, the shareholders as mentioned in previous paragraph have the right to initiate legal proceedings directly at the people’s court in their own name for the interests of the Company.

The shareholders of the Company shall assume the following obligations:

- (i) to comply with the 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 capital contribution as per the shares subscribed for and the method of subscription within the prescribed time;
- (iii) not to withdraw shares unless in the circumstances stipulated by laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed;
- (iv) not to abuse shareholder’s rights to harm the interests of the Company or other shareholders; not to abuse the Company’s position as an independent legal entity or shareholder’s limited liability to harm the interests of the creditors of the Company;
- (v) to fulfill other obligations stipulated by the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

If any shareholder of the Company abuses his/her rights, thereby causing any loss to the Company or other shareholders, the said shareholder shall be liable for compensation according to the laws. If any shareholder of the Company abuses the Company’s position as an independent legal entity or shareholder’s limited liability for the purpose of evading repayment of debts, thereby severely damaging the interests of the creditors of the Company, the said shareholder shall bear joint liabilities for the Company’s debts.

The controlling shareholders and the *de facto* controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, the requirements of the CSRC, and the securities regulatory rules of the place where the Company’s shares are listed, safeguarding the interests of the Company.

The controlling shareholder or the *de facto* controller who transfers his/her shares in the Company shall comply with the restrictive provisions on the transfer of shares under the laws, administrative regulations, the requirements of the CSRC and the securities regulatory rules of the place where the Company’s shares are listed and the stock exchange as well as his/her undertakings in respect of the restriction on the transfer of shares.

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SHAREHOLDERS’ MEETING

General Rules for the Shareholders’ Meeting

The shareholders’ meeting of the Company is composed of all shareholders. The shareholders’ meeting is the body of power of the Company which exercises the following functions and powers according to laws:

- (i) to elect and replace directors and to decide on matters relating to the remuneration of directors;
- (ii) to consider and approve reports of the Board;
- (iii) to consider and approve the Company’s profit distribution plans and plans for making up losses;
- (iv) to resolve on increase or reduction in the Company’s registered capital;
- (v) to resolve on the issuance of corporate bonds;
- (vi) to resolve on merger, division, dissolution, liquidation or change of corporate form of the Company;
- (vii) to amend the Articles of Association;
- (viii) to resolve on appointment and dismissal of an accounting firm conducting the audit for the Company by the Company;
- (ix) to consider and approve the guarantees specified in Article 47 of the Articles of Association;
- (x) to consider the Company’s purchase or disposal of material assets within one year which account for over 30% of the latest audited total assets of the Company;
- (xi) to consider and approve matters relating to changes in the use of proceeds;
- (xii) to consider equity incentive plan and employee stock ownership plans;
- (xiii) to consider all transactions where the Company’s percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules of the Hong Kong Stock Exchange relating to percentage ratios are not less than 25% (including one-off transactions and a series of transactions which require combined percentage ratio calculation) and related transactions where the percentage ratios are not less than 5% (including one-off transactions and a series of transactions which require combined percentage ratio calculation);

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

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

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

- (i) any guarantee after the aggregate amount of external guarantees provided by the Company and its controlling subsidiaries has exceeded 50% of the latest audited net assets;
- (ii) any guarantee after the aggregate amount of external guarantees provided by the Company has exceeded 30% of the latest audited total assets;
- (iii) any guarantee provided by the Company to others within one year in an amount exceeding 30% of the latest audited total assets of the Company;
- (iv) any guarantee provided to a guaranteed party whose gearing ratio exceeds 70%;
- (v) any single guarantee with an amount in excess of 10% of the latest audited net assets;
- (vi) any guarantee provided to any shareholder or *de facto* controller or their related parties;
- (vii) other guarantees stipulated by the securities regulatory rules of the place where the Company's shares are listed or the stock exchange or the Articles of Association. when the shareholders' meeting reviews resolutions for guarantees provided to shareholders, *de facto* controller, and their related parties, the shareholder in question or the shareholder under the control of the *de facto* controller shall not participate in the voting on such resolutions. The voting on such resolutions shall be passed by a majority of the voting rights held by other shareholders present at the shareholders' meeting.

Shareholders' meetings include annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be held once a year within 6 months after the end of the previous accounting year.

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

- (i) the number of directors is less than the minimum quorum specified in the Company Law, or less than two-thirds of the number prescribed in the Articles of Association;
- (ii) the uncovered losses of the Company reach one-third of its total paid-in share capital;
- (iii) the shareholders with 10% or more of shares of the Company individually or jointly request in writing;
- (iv) the Board considers it necessary;
- (v) the audit committee so proposes;
- (vi) other circumstances stipulated by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

Convening of Shareholders’ Meetings

The Board shall convene a shareholders’ meeting on time within the prescribed period. Independent directors shall have the right to propose the holding of an extraordinary shareholders’ meeting to the Board with the consent of a majority of all independent directors. With respect to the proposal of the independent director requesting the convening of an extraordinary shareholders’ meeting, the Board shall give written feedback on whether or not to agree to the convening of an extraordinary shareholders’ meeting within 10 days after receiving the proposal, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association. If the Board agrees to convene an extraordinary shareholders’ meeting, it shall issue a notice of convening the shareholders’ meeting within 5 days after making the resolution of the Board; if the Board does not agree to convene an extraordinary shareholders’ meeting, it will state the reasons and make a public announcement.

The audit committee shall have the right to propose to the Board to convene an extraordinary shareholders’ meeting and shall make such proposal in writing. The Board shall, in accordance with the provisions of 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 on whether or not to agree to the convening of the extraordinary shareholders’ meeting within 10 days upon receipt of the proposal.

If the Board agrees to convene the extraordinary shareholders’ meeting, it will issue a notice convening the meeting within 5 days after the Board resolution is made; any changes to the original proposal in the notice shall be subject to the approval of the audit committee.

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If the Board disagrees to convene the extraordinary shareholders’ meeting or fails to provide feedback within 10 days after receiving the proposal, the Board is deemed as unable to perform or failing to perform its duty of convening a shareholders’ meeting, in which case, the audit committee may convene and preside over the meeting on its own.

The shareholders individually or collectively holding more than 10% of the Company’s shares shall have the right to request the Board to convene an extraordinary shareholders’ meeting, which shall be submitted in writing to the Board. The Board shall, in accordance with the provisions of 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 on whether or not to agree to the convening of the extraordinary shareholders’ meeting within 10 days upon receipt of the request.

If the Board agrees to convene the extraordinary shareholders’ meeting, it shall issue a notice convening the meeting within 5 days after the Board resolution is made; any changes to the original request in the notice shall be subject to the approval of relevant shareholders.

If the Board disagrees to convene the extraordinary shareholders’ meeting or fails to provide feedback within 10 days after receiving the request, shareholders who individually or jointly hold more than 10% of the Company’s shares shall have the right to propose to the audit committee to convene an extraordinary shareholders’ meeting and shall submit their request in writing.

If the audit committee agrees to convene the extraordinary shareholders’ meeting, it shall issue a notice convening the meeting within 5 days upon receipt of the request; any changes to the original proposal in the notice shall be subject to the approval of relevant shareholders.

If the audit committee fails to issue a notice of the shareholders’ meeting within the prescribed period, it shall be deemed that the audit committee does not convene and preside over the shareholders’ meeting. In such case, shareholders who individually or jointly hold more than 10% of the Company’s shares for a consecutive period of 90 days or more may convene and preside over the meeting on their own.

If the audit committee or shareholders decide to convene a shareholders’ meeting on their own, they must notify the Board in writing before issuing the meeting notice and simultaneously file the notice with the stock exchange. The audit committee and the convening shareholders shall submit relevant supporting documents to the stock exchange when issuing the notice of shareholders’ meeting and publishing an announcement on the resolutions of shareholders’ meeting. Prior to the announcement of the resolutions of the shareholders’ meeting, the shareholding ratio of the convening shareholders shall not be less than 10%.

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Proposals and Notices of Shareholders’ Meetings

The Company may convene a shareholders’ meeting, and the Board, the audit committee, as well as shareholders who individually or jointly hold more than 1% of the Company’s shares, have the right to submit proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company’s shares may submit a temporary proposal in writing to the convener 10 days prior to the shareholders’ meeting. The Company shall not increase the shareholding required for the shareholders to submit the temporary proposals. The convener shall issue a supplementary notice of the shareholders’ meeting within 2 days after receiving the proposal, announcing the content of the temporary proposal, and submit such temporary proposal to the shareholders’ meeting for consideration. However, this does not apply if the temporary proposal violates the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association, or if it is not within the scope of the shareholders’ meeting’s authority. If, according to the securities regulatory rules of the place where the Company’s shares are listed, the shareholders’ meeting must be postponed due to the issuance of a supplementary notice, the meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company’s shares are listed.

Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the shareholders’ meeting, he/she/it shall not modify the proposals already listed in the notice or add new proposals. The shareholders’ meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the shareholders’ meeting or that do not comply with the provisions of the Articles of Association.

The convener shall notify each shareholder by announcement 21 days prior to the annual shareholders’ meeting, and 15 days prior to the extraordinary shareholders’ meeting.

The notice of a shareholders’ meeting shall include the following:

- (i) the time, place and duration of the meeting;
- (ii) the matters and proposals to be considered at the meeting;
- (iii) a clear statement specifying that all shareholders, including all ordinary shareholders and shareholders holding special voting shares, have the right to attend the shareholders’ meeting, and may entrust a proxy in writing to attend the meeting and vote, and such proxy need not be a shareholder of the Company;
- (iv) the equity registration date of the shareholders entitled to attend the shareholders’ meeting;
- (v) name and telephone number of the permanent contact person for conference affairs;
- (vi) time and procedures for voting online or by other means.

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Holding of Shareholders' Meetings

Shareholders (including all ordinary shareholders and shareholders holding special voting shares) or their proxies recorded in the register on the equity registration date shall have the right to attend a shareholders' meeting, and they are entitled to exercise voting rights in accordance with the relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association (unless individual shareholders are required to waive their voting rights in respect of individual matters by the securities regulatory rules of the place where the Company's shares are listed). Shareholders may attend the shareholders' meeting in person, or they may appoint a proxy to attend, speak and vote on their behalf.

Shareholders' meetings shall be presided over by the chairman of the Board. Where the chairman of the Board cannot or does not fulfil the duty thereof, a majority of the directors may jointly elect a director to preside over the meeting.

At the shareholders' meeting convened by the audit committee, the convener of the audit committee shall preside over the meeting. When the convener of the audit committee is unable or fails to perform his/her duty, a member of the audit committee jointly elected by more than half of the members of the audit committee shall preside over the meeting.

A shareholders' meeting convened by the shareholders shall be presided over by the convener or a representative recommended by he/she/it. During the course of a shareholders' meeting, if the chairman of the meeting violates the procedural rules such that the meeting cannot proceed, the shareholders at the shareholders' meeting may elect one person to act as the chairman to continue the meeting with the approval of the shareholders present at the meeting with more than half of voting rights.

The Company shall formulate the rules of procedure of the shareholders' meeting to specify in details the convening and voting procedures of the shareholders' meeting, including notice, registration, deliberation of proposal, voting, vote counting, announcement of voting results, formation of resolutions, minutes, the signing thereof and announcement, as well as the principles of authorization by the shareholders' meeting to the Board, of which the contents shall be clear and specific. The rules of procedure of the shareholders' meeting shall be an annex to the Articles of Association and shall be formulated by the Board and approved at the shareholders' meeting.

Voting and Resolutions of Shareholders' Meeting

Resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions. An ordinary resolution of a shareholders' meeting shall be passed by over one-half of the voting rights held by the shareholders (including proxies thereof) present at the shareholders' meeting. A special resolution of a shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies thereof) present at the shareholders' meeting.

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The following matters shall require the sanction of an ordinary resolution at a shareholders’ meeting:

- (i) the working reports of the Board;
- (ii) plans for distribution of profits and plans for recovery of losses proposed by the Board;
- (iii) the appointment and dismissal of the members of the Board and their remuneration and method of payment;
- (iv) other matters except those required by the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, or the Articles of Association to be approved by special resolution.

The following matters shall require the sanction of a special resolution at a shareholders’ meeting:

- (i) the increase or decrease in registered capital of the Company;
- (ii) the division, spin-off, amalgamation, dissolution and liquidation of the Company;
- (iii) the amendments to the Articles of Association;
- (iv) the purchase and disposal of material assets or provision of guarantee by the Company within one year in an amount in exceeding 30% of the Company’s latest audited total assets;
- (v) the share incentive schemes;
- (vi) the repurchase of shares by the Company to reduce its registered capital;
- (vii) adjustment of the profit distribution policy of the Company;
- (viii) the change in the number of voting rights attached to shares with special voting rights, except for converting a corresponding number of shares with special voting rights into ordinary shares in accordance with the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (《上海證券交易所股票上市規則》);
- (ix) other matters required by the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association to be approved by special resolutions, which have been determined by ordinary resolutions at the shareholders’ meeting to have significant impact on the Company.

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Shareholders (including proxies of shareholders) shall exercise their voting rights according to the number of voting shares they represent, and each share shall have one vote. Where the securities regulatory rules of the place where the Company’s shares are listed provide otherwise, such provisions shall prevail.

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

The Company’s own shares held by the Company do not carry voting rights and such shares shall not count towards the total number of shares with voting rights at shareholders’ meeting.

When relevant related transaction is considered at a shareholders’ meeting, the related shareholders shall not vote, and the voting shares held by them shall not be counted in the total number of shares with valid voting rights; the announcement of the resolutions of the shareholders’ meeting shall fully disclose the voting of non-related shareholders.

The Board of the Company, independent directors and shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed or the requirements of the securities regulatory authority under the State Council may, as the caller, by themselves or entrusting securities company, securities service agency, publicly request the shareholders of the Company to entrust them to attend the shareholders’ meeting and to exercise the shareholders’ rights such as proposal right and voting rights on their behalf. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected, and the Company shall cooperate in such disclosures. Consideration or *de facto* consideration for public solicitation of shareholders’ rights is prohibited. Except as required by statutory conditions, the Company shall not impose any minimum shareholding limitation for collecting voting rights.

DIRECTORS AND THE BOARD OF DIRECTORS

Directors

The directors of the Company may include executive directors, non-executive directors and independent directors. Non-executive directors refer to directors who do not hold management positions in the Company, and independent directors refer to persons who meet the provisions of Article 131 of the Articles of Association (consistent with the meaning of “independent non-executive director” in the Hong Kong Listing Rules). The directors of the Company are natural persons and shall possess the qualifications required by the laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the Company’s shares are listed.

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The following person shall not serve as a director of the Company:

- (i) person without capacity or with limited capacity of civil conduct;
- (ii) person who has been sentenced to criminal punishment for embezzlement, bribery, misappropriation of property, diversion of property or disruption of the socialist market economic order, or has been deprived of the political rights for a crime and the period of execution has not exceeded five years or less than two years have passed since the expiration of the probation period if he/she has been pronounced on probation;
- (iii) person who was a former director, factory manager or manager of a company or enterprise which was declared bankrupt and was liquidated and who was personally liable for the bankruptcy of such company or enterprise, where less than 3 years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;
- (iv) person who was a legal representative of a company or enterprise which had its business license revoked and was ordered to shut down due to violation of the law and who was personally liable, where less than 3 years has elapsed since the date of the revocation or order to shut down;
- (v) person who has a substantial number of debts due and outstanding and listed as a judgement defaulter by the people's court;
- (vi) person who is subject to the CSRC's measures which prohibit him/her from entering into the securities market for a period which has not yet expired;
- (vii) the person is publicly deemed by a stock exchange as unsuitable to serve as a director and senior management of a listed company and the term of prohibition has not expired;
- (viii) other circumstances specified by the laws, administrative regulations, departmental rules, or securities regulatory rules of the place where the Company's shares are listed.

The election, appointment or engagement of any director in violation of the provisions of this Article shall be invalid and void. Any director who becomes disqualified during his/her term of office pursuant to this Article shall be removed from office by the Company and suspend his/her duties.

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Directors shall be elected or replaced at a shareholders' meeting and may be dismissed at a shareholders' meeting before the expiry of his/her term of office. Directors serve a term of office of 3 years for each session and may be re-elected upon expiration of his/her term. If the relevant securities regulatory rules of the place where the Company's shares are listed have separate provisions regarding the re-election of directors, such provisions shall prevail.

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

General manager and other senior management may also concurrently act as director, the number of general manager and other senior management who hold the offices of director shall not be more than half of the total number of directors of the Company.

A director may propose to resign prior to the expiration of his/her term of office. A written resignation report shall be submitted to the Board when a director resigns. The resignation takes effect on the date on which the Company receives the notice, and the Board will disclose the relevant situation within 2 days.

Unless duly authorized by the Articles of Association or the Board, no director shall act on behalf of the Company or the Board in his/her personal capacity. Where a director acts in his/her capacity, such director shall declare in advance his/her position and identity in circumstances where a third party would reasonably believe that such director is acting on behalf of the Company or the Board.

Board of Directors

The Company has established the Board which shall be accountable to the shareholders' meetings. The Board comprises nine directors, including one director who is employee representative, and four independent directors. The Board has one chairman. At least one independent director must ordinarily reside in Hong Kong.

The Board shall exercise the following functions and powers:

- (i) to convene shareholders' meetings to present their work reports at such meetings;
- (ii) to execute resolutions of the shareholders' meeting;
- (iii) to decide on the business and investment plans of the Company;
- (iv) to prepare the profit distribution plan and loss makeup plan of the Company;

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- (v) to prepare plans for the increase or reduction of the registered capital of the Company, the issuance of bonds or other securities and the listing;
- (vi) to formulate plans for material acquisitions, purchase of shares of the Company, or merger, division, dissolution and change of corporate form of the Company;
- (vii) to decide on external investment, acquisition and disposal of assets, asset mortgages, external guarantee, entrusted financial management, related transactions and external donations within the scope of the authorization granted by the shareholders' meeting;
- (viii) to resolve on the establishment of internal management organizations of the Company;
- (ix) to appoint or dismiss the Company's general manager, secretary to the Board and other members of the senior management and decide on matters of their remuneration, rewards and punishments. According to the nomination of the general manager, to appoint or dismiss the Company's chief technology officer, deputy general manager, financial controller and other senior management personnel, and decide on matters of their remuneration, rewards and punishments;
- (x) to formulate the basic management system of the Company;
- (xi) to formulate the proposals for any amendment to the Articles of Association;
- (xii) to manage the disclosure of information by the Company;
- (xiii) to propose to shareholders' meetings the appointment or change of the accounting firm responsible for the auditing of the Company;
- (xiv) to listen to the work report of the general manager of the Company and examine the general manager's work;
- (xv) other functions and powers stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, as well as granted by the shareholders' meeting.

The regular meetings of the Board shall be convened at least four times a year by the chairman, and all directors shall be notified by hand, by mail, fax or telephone no later than 14 days prior to the meeting.

A meeting of the Board shall be held only if more than half of the directors are present. Resolutions of the Board must be passed by a majority of all directors.

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If a director has a related relationship with the enterprises or individual of a resolution of the Board, such director shall report to the Board in writing promptly. Any director having related relationship shall not exercise the voting right on such resolution, nor shall such director act on behalf of other directors in exercising the voting right. Such meeting of the Board may be held if more than a majority of the directors without related relationships are present, and resolutions made at the meeting of the Board must be passed by a majority of the directors without related relationships. If the number of directors without related relationships attending the meeting of the Board is less than three, the matter shall be submitted to the shareholders' meeting for review. If laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed impose any additional restriction on directors' participation in Board meetings and voting, such provisions shall prevail.

Special Committees

The Company shall establish an audit committee under the Board, which shall exercise the functions and powers of the supervisory committee as provided under the Company Law.

The audit committee shall be composed of 3 members, which shall be directors who are not senior management of the Company, of which 2 of them are independent directors and an accounting professional among the independent directors shall serve as the convener.

The audit committee is responsible for reviewing the Company's financial information and its disclosures, supervising and evaluating the internal and external audits and internal controls. The following matters shall be submitted to the Board for consideration after the approval by a majority of all members of the audit committee:

- (i) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (ii) appointment or dismissal of the accounting firm that undertakes the Company's auditing business;
- (iii) appointment or dismissal of the Company's financial controller;
- (iv) changes in accounting policies, accounting estimates or correction of material accounting errors for reasons other than changes in accounting standards;
- (v) other matters as provided by the laws, administrative regulations, the CSRC, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The audit committee shall hold at least one meeting every quarter, and may hold an extraordinary meeting when two or more members propose, or when the convener deems it necessary. A meeting of the audit committee shall only be held with the attendance of more than two-thirds of the members.

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Resolutions made by the audit committee shall be approved by more than half of the members of the audit committee.

Each member shall have one vote for the resolutions of the audit committee.

The audit committee shall prepare meeting minutes for its resolutions in accordance with the regulations, and the members of the audit committee attending the meeting shall sign on the meeting minutes.

The Board is responsible for formulating the working procedures of the audit committee.

The Board of the Company shall establish a strategic management and ESG committee, nomination committee, remuneration and appraisal committee, which shall perform their respective duties in accordance with the Articles of Association and the authorisation of the Board. Proposals made by the special committees shall be submitted to the Board for consideration and decision. The rules of procedure of the special committees shall be formulated by the Board.

General Manager and Senior Management Members

The Company shall have one general manager, one chief technology officer, one financial controller, and one secretary to the Board, as well as one to three deputy general managers, who shall be appointed or dismissed by the Board.

The general manager, chief technology officer, deputy general manager, financial controller and secretary to the Board shall be the Company’s senior management.

The provisions of the Articles of Association regarding circumstances of disqualification of directors of the Company and the resignation management system also apply to the general manager and other senior management.

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

- (i) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board, and to report his/her works to the Board;
- (ii) to organize the implementation of the Company’s annual business plans and investment plans;
- (iii) to draft plans for the establishment of the Company’s internal management organizations;
- (iv) to draft the Company’s basic management system;

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- (v) to formulate the specific rules and regulations of the Company;
- (vi) to submit to the Board proposals regarding the appointment or dismissal of the Company’s chief technology officer, deputy general manager and financial controller;
- (vii) to decide on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board;
- (viii) to exercise other functions and powers conferred by the Articles of Association or the Board.

The general manager shall attend the Board meetings.

Senior management members of the Company shall perform their duties honestly, and protect the best interests of the Company and all the shareholders. Senior management members of the Company shall be liable for compensation in accordance with the laws for any damage caused to the interests of the Company and public shareholders as a result of their failure to perform duties honestly or violation of their fiduciary duties.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Financial and Accounting Systems

The Company shall establish financial and accounting systems according to laws, administrative regulations, securities regulatory rules of the place where the Company’s shares are listed and the regulations stipulated by the relevant state authorities.

The Company shall submit and disclose its annual reports to local branch of the CSRC and the stock exchange in the place where the Company’s shares are listed within four months from the end of each fiscal year, and its interim reports to local branch of the CSRC and the stock exchange in the place where the Company’s shares are listed within two months from the end of the first half of each fiscal year. If the securities regulatory authorities of the place where the Company’s shares are listed provide otherwise, such provisions shall prevail.

The Company will not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

Profit Distribution

The Company is required to withdraw 10% of its profits into its statutory reserve fund when distributing each year’s after-tax profits. When the cumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further withdrawal is required. Where the statutory reserve fund of the Company is insufficient to

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make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve fund in accordance with the provisions in the preceding paragraph. After making allocations to the statutory reserve fund from its profits after taxation, the Company may, upon passing a resolution at a shareholders’ meeting, make further allocations from its profits after taxation to the discretionary reserve fund.

The discretionary reserve fund and statutory reserve fund should be used first; if the loss still cannot be made up, the capital reserve fund may be used in accordance with regulations.

After making up of losses and appropriation to reserve funds, balance of the profit after taxation shall be distributed to shareholders in proportion to their shareholdings, unless otherwise stipulated in the Articles of Association.

If a shareholders’ meeting distributes profits to shareholders in violation of the Company Law, the profits distributed in violation of the provisions must be returned by such shareholders to the Company. If losses are caused to the Company, the shareholders, as well as the responsible directors, supervisors and senior management personnel, shall be liable for compensation.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

The Company shall appoint one or more collection agents for H shareholders in Hong Kong. The collection agents shall collect on behalf of the relevant H shareholders the dividends distributed and other funds payable by the Company in respect of the H shares, and hold such monies in their custody pending payment to the H shareholders concerned. The collection agents appointed by the Company shall meet the requirements of the laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed.

Internal Audit

The Company shall implement an internal audit system, which clearly stipulates the leadership structure, duties and authorization, personnel allocation, finance support, audit results application, accountability and other matters in relation to internal audit.

The internal audit body of the Company shall supervise and inspect the Company’s business activities, risk management, internal control, financial information etc.

The internal audit body shall be responsible to the Board.

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Appointment of an Accounting Firm

The Company shall appoint such accounting firm which has complied with the Securities Law, and the securities regulatory rules of the place where the Company’s shares are listed for carrying out the audit for the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be 1 year and can be renewed.

The appointment and dismissal of accounting firm by the Company shall be subject to the approval of shareholders’ meetings. The Board shall not appoint accounting firm before the approval of the shareholders’ meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting proofs, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding, and misrepresentation.

Merger, Division, Capital Increase and Reduction, Dissolution and Liquidation

Merger, Division, Capital Increase and Reduction

The merger of the Company may take the two forms of merger by absorption and merger by new establishment. In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the Company surviving the merger or the new company established subsequent to the merger.

If the Company is divided, its property shall be divided accordingly. When the Company is divided, it shall prepare a balance sheet and a property list. The Company shall, within 10 days from the date of adoption of the division resolution at the shareholders’ meeting, inform the creditors, and shall make announcements in newspapers designated by the Company for information disclosure as stipulated in the Articles of Association or on the National Enterprise Credit Information Publicity System within 30 days.

If the Company needs to reduce its registered capital, it shall prepare a balance sheet and a property list. The Company shall notify the creditors within 10 days from adoption of the resolution at the shareholders’ meeting to decrease the registered capital and shall make announcements in newspapers designated by the Company for information disclosure as stipulated in the Articles of Association or on the National Enterprise Credit Information Publicity System within 30 days. Creditors shall, within 30 days of receiving written notice, or within 45 days of the date of the public announcement for those who have not received written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding security.

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Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (i) the term of business specified in the Articles of Association has expired or any other cause for dissolution specified in the Articles of Association has occurred;
- (ii) the shareholders’ meeting resolves to dissolve the Company;
- (iii) dissolution is necessary as a result of the merger or division of the Company;
- (iv) the Company has its business license revoked, is ordered to close down or revoked in accordance with the laws;
- (v) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders’ voting rights may petition the people’s court to dissolve the Company.

In the event of occurrence of any cause leading to the dissolution of the Company as stipulated in the preceding paragraph, such dissolution cause shall be published on the National Enterprise Credit Information Publicity System within 10 days upon its occurrence.

Where the Company is dissolved under the circumstances set forth in items (i), (ii), (iv) and (v) in the preceding paragraph, it shall be liquidated. The directors, who are the liquidation obligors of the Company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution.

The liquidation group shall be composed of directors or personnel designated by the shareholders’ meeting, except as otherwise provided in the Articles of Association, or as otherwise selected by a resolution of the shareholders’ meeting.

The liquidation group shall notify the creditors within 10 days from the date of its establishment and announce it in newspapers designated by the Company for information disclosure as stipulated in the Articles of Association or on the National Enterprise Credit Information Publicity System or at the Shanghai Stock Exchange website (<https://www.sse.com.cn>) and HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 60 days. Creditors shall declare their claims to the liquidation group within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement if they have not received the notice.

When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation group shall register the claims.

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During the claim declaration period, the liquidation group shall not pay any debts to creditors.

After checking the Company's assets and preparing a balance sheet and property list, the liquidation group shall formulate a liquidation plan and submit the same to the shareholders' meeting or the people's court for confirmation.

The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts shall be distributed by the Company to the shareholders in proportion to the shares they hold.

During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

If the liquidation group, having liquidated the Company's property and prepared a balance sheet and property list, determines that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy liquidation, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator appointed by the people's court.

Following completion of the liquidation of the Company, the liquidation group shall prepare a liquidation report, submit the same to the shareholders' meeting or the people's court for confirmation, submit the same to the company registrar, and apply for cancellation of the Company's registration. Where the Company is declared bankruptcy in accordance with the laws, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

Amendment to the Articles of Association

The Company shall amend the Articles of Association if:

- (i) provisions of the Articles of Association conflict with the Company Law or related laws, administrative regulations or the securities regulatory rules of the place where the Company's shares are listed after such laws are amended;
- (ii) a change occurs in the Company's situation and such change is inconsistent with the matters stated in the Articles of Association;
- (iii) the shareholders' meeting decides to amend the Articles of Association.

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If amendments to the Articles of Association adopted by the shareholders’ meeting that are subject to approval by the competent authorities, they shall be submitted to the competent authorities for approval; if they involve a registered particular of the Company, registration of the change shall be carried out in accordance with the laws.

Amendments to the Articles of Association constitute information required to be disclosed under laws, regulations, and securities regulatory rules of the place where the Company’s shares are listed, and shall be announced in accordance with the relevant provisions.

The Board shall amend the Articles of Association in accordance with the resolution of the shareholders’ meeting on the amendment to the Articles of Association and the approving opinion of relevant competent authorities.

Amendments to the Articles of Association that are required to be disclosed under the laws, regulations and the securities regulatory rules of the place where the Company’s shares are listed shall be announced in accordance with relevant requirements.