
APPENDIX III

SUMMARY OF ARTICLES OF ASSOCIATION

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Set out below is a summary of the principal provisions of *the Articles of Association of ImmuneOnco Biopharmaceuticals (Shanghai) Inc.* (the “**AoA**”). The main purpose of this appendix is to provide an overview of the AoA for prospective investors, and therefore it may not contain all the information that is important to prospective investors.

Directors

Power to [REDACTED] and [REDACTED] Shares

The AoA do not contain clauses that authorize the board of directors to allot or [REDACTED] shares. Any such allotment or issuance shall be in accordance with the procedures stipulated in applicable laws and administrative regulations.

Power to Dispose of the [REDACTED] or Any of Its Subsidiaries’ Assets

The board of directors shall exercise the function and power to decide on the acquisition and disposal of assets of the Company within the scope of authorization by the general meeting or in accordance with the provisions of the listing rules of the stock exchange where the Company’s shares are [REDACTED].

Giving of Financial Assistance to Purchase the [REDACTED] or Any of Its Subsidiaries’ Shares

The Company or its subsidiary companies (including enterprises affiliated to it) shall not, in the form of grants, advances, guarantees, compensations or loans, among others, provide any financial aid to directors purchasing or intending to purchase the shares of the Company.

Remuneration

The general meeting shall exercise the function and power in accordance with the laws to decide on the matters relating to the remuneration of the directors who are not representatives of staff, which shall be passed by ordinary resolutions.

Retirement, Appointment, Removal

The board of directors consists of 9 directors and has one chairman. At all times, at least one-third of the board of directors shall be independent non-executive directors, and the total number of independent non-executive directors shall not be less than three, among whom there shall be at least one independent non-executive director with appropriate professional qualifications meeting the regulatory requirements, or with appropriate accounting or relevant financial management expertise.

The general meeting shall exercise the function and power in accordance with the laws to elect and change the directors who are not representatives of staff, which shall be passed by ordinary resolutions.

Directors shall be elected or replaced at the general meeting, and the general meeting may remove the director from his or her office before the expiration of the term of office. The term of office of a director is three years, and a director may be re-elected and serve consecutive terms upon expiration of the term.

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The term of office of a director shall commence from the date of him/her assuming office until expiry of the term of the prevailing session of the board of directors. If the term of office of a director expires but re-election is not made forthwith, before the re-elected director takes office, such retiring director shall continue to perform his/her duties as a director pursuant to the requirements of the laws, administrative regulations, departmental rules and this AoA.

Any person appointed by the board of directors to fill a casual vacancy of the board of directors or as an addition to the board of directors shall only hold office until the first annual general meeting after his/her appointment and that person shall then be eligible for re-election and re-appointment.

Save as otherwise prescribed in the laws, regulations and regulatory rules of the place where the shares of the Company are [REDACTED], the shareholders shall have the right to remove a director whose term of office has not yet expired by ordinary resolution at a general meeting, provided that any claim for damages under any contract by such director will not be affected by such removal.

The directors of the Company shall be natural persons, but a person who falls under any of the following circumstances may not serve as a director of the Company: (i) the person is without civil conduct capacity or with limited civil conduct capacity; (ii) it has not been more than five years since the person's completion of service of a sentence received for a crime of embezzlement, bribery, appropriation of property, misappropriation of property, or disruption of the economic order of the socialist market, or it has not been more than five years since the person's completion of service of a sentence to deprivation of political rights for a crime; (iii) it has not been more than three years since the date of completion of bankruptcy liquidation of a company or enterprise where the person used to be a director or a factory director or a manager who was personally liable for the bankruptcy of the company or enterprise; (iv) it has not been more than three years since the date of forfeiture of the business license of a company or enterprise of which the person used to be the legal representative who was personally liable for the forfeiture of the business license or the ordered closedown of the company or enterprise for any violation of the law; (v) the person fails to repay a relatively large amount of due debts; (vi) the person is banned by the CSRC from access to the securities market, and the ban has not expired; or (vii) any other circumstances as set out by any law, administrative regulation or departmental rule, or the regulatory rules of the place where the Company's shares are [REDACTED]. Where any director is elected or appointed in violation of this article, such election or appointment shall be void. Where any director falls under any of the circumstances as set out in this article during his or her term of office, the Company shall remove him or her from the office.

Borrowing Powers

The AoA do not contain any special provision in respect of the manner in which borrowing powers may be exercised by the Directors, other than provisions which (a) give the Board the power to formulate proposals for the issuance of corporate bonds by the Company; and (b) require the issuance of corporate bonds to be approved by the Shareholders in general meeting by way of a special resolution.

Alterations to Constitutional Documents

The Company may make amendments to this AoA in accordance with the provisions of the laws, administrative regulations, the Hong Kong Listing Rules and this AoA subject to the approval by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

The Company shall amend the AoA if falling in one of the following situations: (i) upon revision of the Company Law or the relevant laws and administrative regulations or the Hong Kong Listing Rules, the provisions of the AoA conflict with the revised laws, administrative

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regulations or the Hong Kong Listing Rules; (ii) where the Company’s circumstances change to such an extent that they are inconsistent with what is registered in the AoA; or (iii) where the general meeting resolves to amend the AoA.

Where any amendment to the AoA adopted by a resolution of the shareholders’ meeting is subject to the approval of the appropriate authorities, it shall be reported to the appropriate authorities for approval. Where the Company’s registration items are involved, such amendments shall be registered according to the laws.

Special Resolutions — Majority Required

Resolutions of general meetings include ordinary resolutions and special resolutions.

Special resolutions of the general meetings shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting.

The following matters shall be passed by special resolutions at a general meeting: (i) increase or reduction in the registered capital of the Company; (ii) the merger, division, split, dissolution and liquidation of the Company; (iii) amendment to this AoA; (iv) purchases or sales of major assets or provision of guarantees in a year, the amount of which exceeds 30% of the audited total assets of the Company of the last period; (v) equity incentive plans; and (vi) other matters as required by the laws, administrative regulations, department rules and regulatory rules of the place where the shares of the Company are [REDACTED] or this AoA and matters which, as resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need to be approved by way of a special resolution.

Voting Rights (Generally and on a Poll)

Shareholders (including proxies) shall exercise their voting rights by the number of voting shares they represent, and each share shall have one vote. When a poll is taken, a shareholder (including his/her/its proxies) entitled to two or more votes does not need to cast all his/her votes as affirmative or negative votes or abstention.

The shares held by the Company have no voting right, and those shares are not included in the total number of voting shares present at the general meeting.

Where a shareholder purchases shares of the Company with voting rights in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion shall neither be exercised within 36 months after the purchase, nor be included in the total number of shares with voting rights attending the shareholders’ meeting.

If it is required by the provisions of the laws, administrative regulations or regulatory rules of the place where the shares of the Company are [REDACTED] that shareholder shall not exercise any voting right or shall abstain from voting or be restricted to cast only affirmative or negative votes on a specific resolution, then the not exercising of voting rights or abstaining from voting by the shareholder or his/her/its proxy pursuant to the aforementioned provisions, or any votes cast by the shareholder or his/her/its proxy in breach of the aforementioned provisions or restrictions shall not be counted in the voting results.

The board of directors, an independent non-executive director, or a shareholder holding 1% or more of the voting shares of a company or an investor protection institution formed in accordance with laws, administrative regulations, or the rules of securities regulatory authorities of the place where the Company’s shares are [REDACTED] may publicly solicit proxies. In proxy solicitation, the voting intention and other relevant information shall be fully disclosed to the

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shareholders from whom proxy is solicited. The qualified shareholders of the Company publicly solicit the convening rights, rights to submit proposals, rights of nomination, voting rights at the shareholders’ meetings and other shareholder rights lawfully held by other shareholders. Proxy solicitation with the provision of direct or indirect compensation shall be prohibited. The Company may not impose any minimum shareholding requirement for proxy solicitation, except under the conditions as stipulated in the relevant laws and regulations and the Hong Kong Listing Rules.

When matters relating to related party transactions are reviewed at a general meeting, the shareholders constituting related persons (the “**related shareholders**”) shall abstain from voting, the number of voting shares they represent shall not be counted in the total number of valid votes. The announcement of resolutions of the general meeting shall fully disclose the voting of the non-related shareholders.

Requirements for Annual General Meetings

The general meeting is the authoritative body of the Company and shall exercise the following functions and powers in accordance with the laws: (i) to decide on the operating policies and investment plans of the Company; (ii) to elect and change the directors and supervisors who are not representatives of staff, and decide on the matters relating to the remuneration of the relevant directors and supervisors; (iii) to review and approve reports of the board of directors; (iv) to review and approve reports of the supervisory committee; (v) to review and approve the annual financial budget plans and final account plans of the Company; (vi) to review and approve the profit distribution plans and loss recovery plans of the Company; (vii) to make resolutions on the increase or reduction of the registered capital of the Company; (viii) to make resolutions on the issuance of bonds or other securities and the [REDACTED] plans of the Company; (ix) to make resolutions on the merger, division, dissolution, liquidation or change in the form of the Company; (x) to amend this AoA; (xi) to make resolutions on the engagement, removal or discontinuance of engagement of accounting firms of the Company, and the matters relating to the remuneration of the accounting firms; (xii) to review and approve matters relating to external guarantee which shall be approved by the general meetings under this AoA; (xiii) to review matters concerning purchase or sales of major assets in a year that exceed 30% of the Company’s audited total assets of the last period; (xiv) to review and approve the material transactions and related party transactions that shall be reviewed and approved by the general meetings as stipulated by the laws, administrative regulations, regulatory rules of the places where the Company’s shares are [REDACTED] and this AoA; (xv) to review the proposals submitted by shareholder(s) holding individually or collectively 3% or more of the shares carrying voting rights of the Company; (xvi) to review and approve the matters relating to change of the use of [REDACTED]; (xvii) to review equity incentive plans and employee stock option plans; and (xviii) to review other matters which shall be determined by the general meetings as stipulated by the laws, administrative regulations, department rules, the Hong Kong Listing Rules or this AoA.

The general meetings of the Company include the annual general meetings and the extraordinary general meetings. The annual general meetings shall be convened once a year, and shall be held within six months after the end of the prior fiscal year.

Accounts and Audit

The Company shall establish its financial and accounting systems in accordance with the laws, administrative regulations and the provisions of relevant PRC authorities. Where the securities regulatory authorities of the place where the shares of the company are [REDACTED] provide otherwise, such provisions shall prevail.

The fiscal year of the Company shall be the calendar year, commencing from January 1 and ending on December 31 of each calendar year.

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The Company shall disclose its annual reports within 120 days from the end of each accounting year, and disclose its interim reports within 60 days from the end of the first half year of each accounting year. The Company shall submit and disclose its annual reports and interim reports in accordance with the relevant laws and regulations, and the Hong Kong Listing Rules. The aforesaid annual reports or interim reports shall be prepared in accordance with the relevant laws, administrative regulations and rules of the CSRC and the stock exchange of the place where the Company's shares are [REDACTED].

Notice of Meetings and Business to Be Conducted Thereat

The Company shall hold an extraordinary general meeting within two months upon the occurrence of any of the following events: (i) the number of directors falls short of the number required by the Company Law or is less than two-thirds of the number required by this AoA; (ii) the uncovered loss of the Company reaches one-third of the total paid-in capital contribution of the Company; (iii) upon request(s) in written form by shareholder(s) individually or collectively holding more than 10% of the Company's issued and outstanding shares carrying voting rights (shareholding percentage shall be calculated based on shares held by the relevant shareholders on the date when the written request is made); (iv) as deemed necessary by the board of directors; (v) proposed by the supervisory committee; and (vi) other circumstances as stipulated by the laws, administrative regulations, department rules, regulatory rules of the place where the shares of the Company are [REDACTED] or this AoA.

All the shareholders shall be notified by public announcement at least 21 days (excluding the date of the annual general meeting) before the date of the annual general meeting. All the shareholders shall be notified by public announcement at least 15 days (excluding the date of the extraordinary general meeting) before the date of the extraordinary general meeting. Where there are other provisions stipulated by the laws, regulations and the securities regulatory authorities of the place where the shares of the company are [REDACTED], such provisions shall prevail.

Where the Company convenes a general meeting, the board of directors, the supervisory committee and shareholder(s) holding individually or collectively 3% or more of the Company's shares may submit a proposal to the Company.

Shareholder(s) holding individually or collectively 3% or more of the Company's shares may submit a temporary proposal in writing to the convener of the general meeting 10 days before the date of the general meeting. The convener shall, within two days after receiving the proposal, send a supplementary notice of the general meeting detailing the content of the temporary proposal.

Save as the circumstances specified above, the convener shall not amend the proposals having been set out in the notice of the general meeting or add any new proposal after sending the notice.

The proposals not listed in the notice of the general meeting or inconsistent with the provisions of this AoA shall not be voted and resolved at the general meetings.

Transfer of Shares

The shares of the Company may be transferred in accordance with the laws. Transfer documents and other documents relating to or affecting the ownership of H shares shall be registered with the local stock registrar entrusted by the Company.

Fully paid H shares may be freely transferred pursuant to this AoA. However, unless the following conditions are met, the board of directors may refuse to acknowledge any transfer document without stating any reasons: (i) the transfer documents relate only to H shares; (ii) the stamp duty payable on the transfer documents has been paid; (iii) the relevant share certificates and the evidence as reasonably required by the board of directors to prove that the transferor has

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the right to transfer the shares have been provided; (iv) the shares are free and clear of any and all liens of the Company; and (v) no transfer of any shares shall be made to minors or to persons of unsound mind or under other legal disability.

Shares held by promoters shall not be transferred within one year from the date of incorporation of the Company. Shares issued by the Company before the public [REDACTED] of shares shall not be transferred within one year from the date on which the Shares of the Company are [REDACTED] on a stock exchange.

Directors, supervisors and senior executives of the Company shall declare their shareholding in the Company and any changes thereof, and shall not transfer shares more than 25% of total Shares held by them, respectively, each year during their term, nor transfer any Shares within one year from the date on which the Shares of the Company are [REDACTED] on a stock exchange. The aforesaid persons shall not transfer any Shares within half a year after leaving their post, respectively.

Where the provisions of the securities regulatory authorities of the place where the Shares of the Company are [REDACTED] stipulate otherwise regarding the restrictions on transfer of shares [REDACTED] overseas, such provisions shall prevail.

Power of the [REDACTED] to Purchase Its Own Shares

The Company may, according to the provisions of the relevant laws, administrative regulations, departmental rules and this AoA, purchase its shares under the following circumstances: (i) to reduce the registered capital of the Company, (ii) to merge with other companies which hold the shares of the Company, (iii) to use shares for employees stock ownership plan or equity incentives, (iv) to acquire shares held by shareholders who vote against any resolution adopted at the shareholders' general meeting on the merger or demerger of the Company upon their request, (v) to use shares for converting convertible corporate bonds issued by the Company, (vi) necessary for the Company to maintain the value and shareholders' equity of the Company, or (vii) other circumstances permitted by laws, administrative regulations, departmental rules and the supervisory regulations of the place where the Company's shares are [REDACTED], etc.

A company may purchase its shares in the manner of centralized public trading, or other methods approved by laws, and administrative regulations and relevant regulatory authorities.

Dividends and Other Methods of Distribution

Shareholders of the Company shall enjoy the right to receive dividends and other forms of distributions of interest in proportion to their respective shareholdings.

When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% of the registered capital, the Company is released from the obligation of withholding statutory reserve fund.

Where the Company's statutory reserve fund is insufficient to cover the previous year's losses, the Company shall first use the profits of the current year to cover the losses before withholding the statutory reserve fund according to the preceding paragraph.

After the Company withholds the statutory reserve fund from the after-tax profit, it may further withhold optional reserve fund from the after-tax profit upon resolution by the general meeting.

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The remaining after-tax profits of the Company after making up the losses and withholding the reserve funds may be distributed according to the proportion of shares held by the shareholders, unless it is provided in this AoA not to distribute according to the proportion of shares held.

Where the general meeting, in violation of the preceding paragraph, distributes the profits to the shareholders before the Company makes up the losses and withholds the statutory reserve fund, the shareholders must return the profits distributed in violation of the provisions to the Company.

The Company's shares held by the Company shall not participate in the distribution of profits.

After the general meeting makes a resolution on the profit distribution plan, the board of directors shall complete the distribution and payment of dividends (or shares) within two months of the general meeting.

The Company may distribute profits in cash, shares or other forms permitted by the laws, administrative regulations, department rules and regulatory rules of the place where the shares of the Company are [REDACTED], while distribution in cash is preferred. Cash dividends and other distributions declared by the Company to the holders of domestic un[REDACTED] shares shall be paid in Renminbi. Cash dividends and other distributions declared by the Company to the holders of overseas [REDACTED] shares shall be denominated and declared in Renminbi, and paid in foreign currencies or Renminbi. Foreign currencies for the payment of cash dividends and other distributions by the Company to the holders of overseas [REDACTED] shares shall be distributed pursuant to the relevant regulations on the administration of foreign exchange of the PRC.

The Company shall appoint collection agents for the holders of overseas [REDACTED] shares. The collection agents shall receive the dividends and other amount payable by the Company with respect to the overseas [REDACTED] shares on behalf of the relevant shareholders. The collection agent appointed by the Company shall satisfy requirements of the laws and the relevant provisions of the stock exchange of the place where the shares of the Company are [REDACTED]. The collection agent of the shareholders of overseas [REDACTED] shares [REDACTED] in Hong Kong appointed by the Company shall be a trust company registered in accordance with the Trustee Ordinance of Hong Kong.

Proxies

Any shareholder entitled to attend and vote at the general meeting may attend general meetings in person or appoint one or several persons (who may not be shareholders) to act as his/her/its proxy to attend and vote at the general meeting on his/her/its behalf. Shareholders who have appointed proxy(ies) to attend any meeting on their behalf shall be deemed to attend in person.

The power of attorney issued by the shareholders to appoint other persons to attend the general meeting shall contain the following contents: (i) the name of the proxy; (ii) whether the proxy has the right to vote or not; (iii) the instructions on voting in favor of, against or abstaining from each item listed on the agenda of the general meeting; (iv) the date of issuance and validity period of the power of attorney; and (v) signature (or seal) of the principal or the appointed proxy in writing. If the principal is an institution shareholder, the power of attorney shall be affixed with the seal of the institution or executed by its directors, officially appointed proxy or officially authorized person.

Where there are special provisions on the power of attorney under the Hong Kong Listing Rules, such provisions shall prevail.

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The power of attorney shall be deposited at the domicile of the Company or other places designated in the notice of the meeting at least 24 hours before the meeting at which the proxy is authorized to vote or 24 hours before the specified voting time. If the power of attorney is executed by a person authorized by the principal, the authorization letter authorizing the execution or other authorization documents shall be notarized. The notarized authorization letter or other authorization documents, together with the power of attorney must be deposited at the domicile of the Company or other places as specified in the notice of the meeting.

Inspection of Register of Members

The Company shall create a register of members based on the documents provided by the securities depository institution. The register of members shall be sufficient evidence of the shareholders' shareholding in Company, unless there is evidence to the contrary. The shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. The shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

The register of members shall contain the following items, or the shareholders shall be registered pursuant to the laws, administrative regulations, departmental rules and the Hong Kong Listing Rules: (i) the name (title), address (domicile), occupation or nature of each shareholder; (ii) the class and number of shares held by each shareholder; (iii) the amount paid or payable on the shares held by each shareholder; (iv) the serial numbers of the shares held by each shareholder; (v) the date on which each shareholder was registered as a shareholder; and (vi) the date on which each shareholder ceased to be a shareholder.

Any assignment or transfer of shares shall be registered in the register of members. The Company may, in accordance with the understanding and agreement reached between the securities regulatory authorities under the State Council and the overseas securities regulatory authorities, keep the register of members of overseas [REDACTED] shares outside the PRC and appoint overseas agencies to keep such register. The original register of members of overseas [REDACTED] shares [REDACTED] in Hong Kong shall be kept in Hong Kong.

Copies of the register of members of overseas [REDACTED] shares shall be kept at the Company's domicile. Appointed overseas agencies shall from time to time maintain the consistency of the original register of members of overseas [REDACTED] shares and the copies thereof. In case of any inconsistency between the original and copies of the register of members of overseas [REDACTED] shares, the original shall prevail.

The Company shall keep a complete register of members. A register of members shall contain the following parts: (i) register of members other than those provided in items (ii) and (iii) below and kept at the Company's domicile; (ii) register of members of overseas [REDACTED] shares of the Company kept at the place where the stock exchange where the shares are [REDACTED] overseas is located; (iii) register of members kept in other place(s) decided by the board of directors for the purpose of [REDACTED] the shares of the Company.

Different parts of the register of members shall not overlap. The transfer of shares registered in a certain part of the register of members shall not, during the continuance of the registration of such shares, be registered in any other part of the register of members. Changes or corrections to each part of the register of members shall be made pursuant to the laws of the places where that part is kept.

Shareholders of the Company enjoy the rights to consult the register of members of the Company according to the provisions of laws, administrative regulations and this AoA, where there are other provisions stipulated by the securities regulatory rules of the place where the shares of the company are [REDACTED], such provisions shall prevail.

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The Company shall keep the full copies of the register of members at the address of the Company in Hong Kong for view by the shareholders for free in accordance with the requirements under the Hong Kong Listing Rules, except that the Company may suspend registration of shareholders on terms equivalent to those under the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong). If the shareholders request access to such information or materials, they shall provide the Company with written documents evidencing the class and number of the shares held by them in the Company, and upon verification of their status as shareholders, the Company shall provide the shareholders with such information or materials as required by them.

Rights of the Minorities in Relation to Fraud or Oppression thereof

The controlling shareholder or actual controller of the Company may not damage the interests of the Company by taking advantage of its affiliation. Where it violates the relevant provisions and causes losses, it shall assume compensatory liability.

The controlling shareholder or actual controller of the Company shall have a duty of good faith to the Company and the holders of the publicly traded shares of the Company. The controlling shareholder shall exercise its investor's rights in strict accordance with the law, and may not damage the lawful rights and interests of the Company and the holders of the publicly traded shares by taking advantage of profit distribution, asset restructuring, foreign investment, funds appropriation, and loan guarantee, among others or damage the interests of the Company and the holders of the publicly traded shares by taking advantage of its controlling status.

Procedures on Liquidation

The Company shall be dissolved due to any of the following reasons: (i) the occurrence of events of dissolution as provided by this AoA; (ii) the general meeting resolves to dissolve the Company; (iii) the dissolution is required due to merger or division of the Company; (iv) the business license of the Company is revoked, or the Company is ordered to close down or revoked in accordance with laws; or (v) shareholders holding 10% or more of all the voting rights of the Company applies to the People's Court for dissolution when the Company experiences severe difficulties in its operations and management and continual operation of the Company will bring significant losses to the interest of Shareholders and there are no other way to resolve the difficulties.

Where the Company is dissolved in accordance with the provisions of items (i), (ii), (iv), and (v) above, a liquidation committee shall be established within 15 days of the occurrence of the events of dissolution and commence liquidation. The liquidation committee shall consist of persons determined by the board of directors or the general meeting. If the Company fails to set up the liquidation committee within the period, the creditors may apply to the People's Court for appointment of relevant persons to form a liquidation committee and carry out liquidation.

During the liquidation period, the liquidation committee shall perform the following functions and powers: (i) to sort out the Company's properties, and to prepare a balance sheet and a list of properties respectively; (ii) to notify the creditors and make public announcement; (iii) to deal with the unfinished business of the Company with respect to the liquidation; (iv) to pay up all outstanding tax and tax incurred in the course of liquidation; (v) to settle credits and debts; (vi) to dispose the remaining properties after settlement of the Company's debts; and (vii) to participate in civil litigations on behalf of the Company.

The liquidation committee shall give notice to the creditors within 10 days after its establishment and publish announcements within 60 days. The creditors shall claim their credits to the liquidation committee within 30 days after receipt of such notice, or within 45 days after the date of the announcement if no notice is received.

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When claiming credits, a creditor shall explain the relevant information of the credits and provide supporting materials. The liquidation committee shall register the credits.

During the period of credits claiming, the liquidation committee shall not make any debt repayment to the creditors.

After the liquidation committee has sorted out the properties of the Company and prepared the balance sheet and the list of properties, the liquidation committee shall formulate a liquidation plan and present it to the general meeting or to the People's Court for confirmation.

For the remaining properties of the Company after payment of liquidation expenses, remuneration, social security and statutory compensation payable to employees, as well as tax and debt payable, respectively, the Company shall distribute to its shareholders according to the proportion of shares held.

During the liquidation period, the Company remains subsisting but may not carry out any business activities not related to the liquidation. The properties of the Company shall not be distributed to shareholders before repayments have been made pursuant to the preceding paragraph.

If after sorting out the properties of the Company and preparing the balance sheet and list of properties, the liquidation committee finds out that the properties of the Company are insufficient to repay the debts of the Company in full, it shall apply to the People's Court for a declaration of insolvency.

After the Company is declared insolvent by the People's Court, the liquidation of the Company shall be taken up by the People's Court from the liquidation committee.

Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, after confirmation by the general meeting or the People's Court, submit the same to the companies registration authorities and apply for deregistration of the Company, and publish an announcement on the dissolution of the Company.

Where the Company is declared insolvent according to the laws, it shall carry out an insolvency liquidation according to the laws in respect of the insolvency of enterprises.

Other Provisions Material to the [REDACTED] or the Shareholders thereof

Shares

Issuance of Shares

The shares of the Company shall be in registered form. The share certificates of the Company shall contain items provided in *the Company Law* and other items as required by the stock exchange where the shares of the Company are [REDACTED]. Each share of the same class of the Company shall have equal rights.

All the shares issued by the Company shall have a par value indicated in Renminbi.

The Company or its subsidiary companies (including enterprises affiliated to it) shall not, in the form of grants, advances, guarantees, compensations or loans, among others, provide any financial aid to any person purchasing or intending to purchase the shares of the Company.

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Increase and Reduction of Shares

Increase of Registered Capital

The Company may, based on its operating and development needs and in accordance with the laws and regulations, increase its registered capital by the following methods, subject to the resolutions adopted respectively by the shareholders' general meeting: (i) public offering, (ii) private offering, (iii) allotting stock dividends to existing shareholders, (iv) capitalizing its capital reserve, or (v) other methods stipulated by laws and administrative regulations and approved by the relevant regulatory authority.

If the Company increases its registered capital by issuing new shares, after the increase of registered capital has been approved in accordance with the provisions of this AoA, it shall be conducted in accordance with the procedures set out in the relevant laws and administrative regulations of the PRC and the Hong Kong Listing Rules.

Reduction of Registered Capital

The Company may reduce its registered capital. The reduction in registered capital shall be conducted in accordance with the procedures set out in the Company Law, other relevant regulations and this AoA.

Rights and Obligations of the Shareholders

Shareholders of the Company shall enjoy the following rights:

- (i) to receive dividends and other forms of distributions of interest in proportion to their respective shareholdings;
- (ii) to request, convene, preside over and attend general meeting in person or by proxy and exercise the corresponding right of voting;
- (iii) to supervise the operations of the Company and to make recommendations or interrogations;
- (iv) to transfer, gift or pledge the shares they hold according to the provisions of laws, administrative regulations and this AoA;
- (v) to consult this AoA, the register of members, the stubs of corporate bonds, the minutes of shareholders' meetings, the minutes of the meetings of the board of directors, the minutes of the meetings of the board of supervisors, and the financial accounting reports of the Company according to the provisions of laws, administrative regulations and this AoA, where there are other provisions stipulated by the securities regulatory rules of the place where the shares of the company are [REDACTED], such provisions shall prevail;

The Company shall keep the full copies of the register of members and the minutes of the general meetings at the address of the Company in Hong Kong for view by the shareholders for free in accordance with the requirements under the Hong Kong Listing Rules, except that the Company may suspend registration of shareholders on terms equivalent to those under the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong). If the shareholders request access to such information or materials, they shall provide the Company with written documents evidencing the class and number of the shares held by them in the Company, and upon verification of their status as shareholders, the Company shall provide the shareholders with such information or materials as required by them;

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- (vi) to participate in the distribution of the Company's remaining assets in proportion to their shareholdings upon termination or liquidation of the Company;
- (vii) to request the Company to purchase the shares of those shareholders who object to a resolution of a general meeting on merger or division of the Company; and
- (viii) any other rights prescribed by the laws, administrative regulations, department rules, regulatory rules of the places where the Company's shares are [REDACTED] and this AoA.

Shareholders of the Company shall assume the following obligations:

- (i) to abide by the laws, administrative regulations, department rules, regulatory rules of the places where the Company's shares are [REDACTED] and this AoA;
- (ii) to pay the capital contribution according to the shares subscribed and the method of subscription;
- (iii) not to withdraw the shares unless otherwise provided by the laws and administrative regulations;
- (iv) not to abuse their shareholders' rights to harm the lawful interests of the Company or other shareholders, and not to abuse the independent legal person status of the Company and the limited liability of the shareholders to harm the interests of any creditor of the Company; and
- (v) other obligations provided by the laws, administrative regulations, regulatory rules of the places where the Company's shares are [REDACTED] and this AoA.

Shareholders of the Company abusing their shareholder's rights and thereby causing loss to the Company or other shareholders shall be liable for indemnity according to the law; if shareholders of the Company abuse the Company's status as an independent legal person and the limited liability of shareholders for the purpose of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

The Board of Directors

Board of Directors

The Company has set up a board of directors, which shall be accountable to the general meetings.

The board of directors consists of 9 directors and has one chairman. At all times, at least one-third of the board of directors shall be independent non-executive directors, and the total number of independent non-executive directors shall not be less than three, among whom there shall be at least one independent non-executive director with appropriate professional qualifications meeting the regulatory requirements, or with appropriate accounting or relevant financial management expertise.

The board of directors shall exercise the following functions and powers: (i) to convene the general meetings and report its work to the general meeting; (ii) to implement the resolutions of the general meeting; (iii) to decide on the business plans and investment schemes of the Company; (iv) to formulate the Company's annual financial budget plan and final account plan; (v) to formulate the Company's profit distribution plan and loss recovery plan; (vi) to formulate the

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proposals for the increase or reduction in the Company's registered capital, and plans for the issuance of bonds or other securities and [REDACTED]; (vii) to draw up plans for significant acquisition, purchase of the shares of the Company, merger, division, dissolution and change in the form of the Company; (viii) to review and approve the external guarantee matters of the Company within the scope of authorization by the general meeting or to the extent not meeting the standards to be reviewed and approved by the general meeting; (ix) to decide on the external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, related party transactions, external donation, external financing, etc. of the Company within the scope of authorization by the general meeting or in accordance with the provisions of the listing rules of the stock exchange where the Company's shares are [REDACTED]; (x) to decide on the set-up of the Company's internal management organization; (xi) to decide on the appointment or removal of the Company's general manager and secretary to the board of directors, and to decide on the appointment or removal of the Company's other senior management personnel such as the deputy general manager, chief financial officer, senior research and development director, and to decide on the remuneration, punishment and reward matters thereof; (xii) to formulate the Company's basic management system; (xiii) to formulate proposals for the amendment to this AoA; (xiv) to propose to the general meeting the appointment or replacement of the accounting firm which audits for the Company; (xv) to listen to the work report of the general manager of the Company and to examine the work of the general manager; (xvi) to manage information disclosure of the Company; and (xvii) other functions and powers conferred by the laws, administrative regulations, department rules, regulatory rules of the place where the shares of the Company are [REDACTED] and this AoA.

The board of directors discuss matters by convening board meetings. Board meetings include regular board meetings and interim board meetings. Regular board meeting shall be convened at least 4 times a year (quarterly) by the chairman of the board of directors.

A board meeting shall be held with the attendance of more than half of the directors. When the board of directors makes a resolution, it must be passed by more than half of the directors. When voting at a board meeting, each director has one vote.

The directors shall attend the board meetings in person. Where any director is unable to attend for any reason, he/she may authorize another director in writing to attend on his/her behalf. The power of attorney shall specify the name of the proxy, matters to be represented, scope of authorization and validity term and shall bear the signature or seal of the principal. The director who attends the board meeting on behalf shall exercise the director's rights within the scope of authorization. Where a director does not attend a board meeting and does not appoint a proxy to attend on his/her behalf, he/she shall be deemed to have forfeited his/her voting rights at the said meeting.

A director or any of his/her close associates having a material interest in or connection with any matter proposed by the board of directors shall be prohibited from voting on such resolution or voting as proxy for another director when such matter is reviewed by the board of directors, and shall not be counted in the quorum present at the meeting. The board meeting may be held if more than half of the unrelated directors attend the meeting, and the resolutions of the board meeting shall be passed by more than half of the unrelated directors. Where the number of unrelated directors present at the board meeting is less than three, the matter shall be submitted to the general meeting for deliberation. Where provisions are set out otherwise in *the Hong Kong Listing Rules*, such provisions shall prevail.

If any related shareholder or director, from the perspective of the board of directors, has any major conflict of interest in the matters to be considered by the board of directors, the relevant matters shall be dealt with at a board meeting (rather than by a written resolution). Independent non-executive directors who themselves and whose close associates have no material interests in the transactions shall attend the relevant board meetings.

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Secretary to the Board of Directors

The Company has a secretary to the board of directors, who is responsible for the preparations for the meetings of the shareholders' meeting and the board of directors, retention of documents, management of materials on shareholders, and handling of information disclosure and other matters.

Supervisors and the Supervisory Committee

Supervisors

The Directors, general manager and other senior management personnel shall not concurrently serve as supervisors.

The term of office of a supervisor is three years. A supervisor may be re-elected and serve consecutive terms upon expiration of his/her term of office. If the term of office of a supervisor expires but re-election is not made forthwith, or a supervisor resigns prior to the expiration of his/her term of office and the number of the members of the supervisory committee therefore does not constitute a quorum, before the re-elected supervisor takes office, such retiring supervisor shall continue to perform his/her duties as a supervisor pursuant to the provisions of the laws, administrative regulations and this AoA.

Supervisors may attend the board meetings as nonvoting delegates and make inquiries or recommendations on the matters to be reviewed by the board of directors.

Supervisory Committee

The Company has set up a supervisory committee. The supervisory committee consists of three supervisors and has one chairman. The appointment or dismissal of the chairman of the supervisory committee shall be approved by more than half of all the supervisors.

The chairman of the supervisory committee convenes and presides over the meetings of the supervisory committee. In the event the chairman of the supervisory committee is unable or fails to perform his/her duties, a supervisor appointed jointly by more than half of the supervisors shall convene and preside over the meetings of the supervisory committee.

The supervisory committee shall include shareholder representatives and an appropriate proportion of employee representatives, which shall be no less than one-third. The employee representatives in the supervisory committee shall be democratically elected and removed at employee representatives' meeting, employees' general meeting or otherwise, while the shareholder representatives in the supervisory committee shall be elected and removed by the general meeting.

The supervisory committee shall exercise the following functions and powers: (i) to review the Company's periodical reports prepared by the board of directors and making written comments thereon after review; (ii) to examine the financial status of the Company; (iii) to supervise the performance of duties by the directors and senior management personnel, and to propose to remove the directors or the senior management personnel in violation of the laws, administrative regulations, this AoA or resolutions of the general meetings; (iv) to require the directors and senior management personnel to correct their conducts that harm the interest of the Company; (v) to propose to hold an extraordinary general meeting, and to convene and preside over the general meeting when the board of directors fails to fulfill its duty to convene and preside over the general meeting specified by *the Company Law* and this AoA; (vi) to submit proposals to the general meetings; (vii) to bring lawsuits against the directors and senior management personnel according to Article 151 of *the Company Law*; (viii) to conduct an investigation where the operation of the

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Company is found to be abnormal, and to engage professional organizations such as accounting firms and law firms to provide assistance when necessary, at the expenses of the Company; and (ix) other functions and powers as conferred by this AoA.

The meetings of supervisory committee include regular meetings and interim meetings. The regular meetings of supervisory committee shall be convened at least every six months and twice a year by the chairman of the supervisory committee. A supervisor may propose to convene an interim meeting of supervisory committee.

The supervisors shall attend the meetings of the supervisory committee in person. Where any supervisor is unable to attend the meetings of the supervisory committee for any reason, he/she may authorize another supervisor in writing to attend on his/her behalf. The power of attorney shall specify the name of the proxy, matters to be represented, scope of authorization and validity term and shall bear the signature or seal of the principal. The supervisor who attends the meeting on behalf shall exercise the supervisor 's rights within the scope of authorization. Where a supervisor does not attend a meeting of the supervisory committee and does not appoint a proxy to attend on his/her behalf, he/she shall be deemed to have forfeited his/her voting rights at the said meeting.

Resolutions of the supervisory committee shall be passed by more than half of the supervisors.

General Manager and Other Senior Management Personnel

The Company has one general manager, one deputy general manager, one chief financial officer, one senior research and development director and one secretary to the board of directors. The general manager, deputy general manager, chief financial officer, senior research and development director and secretary to the board of directors are the senior management personnel of the Company, and shall be appointed or dismissed by the board of directors.

A person who holds an administrative position other than director and supervisor at the controlling shareholder of the Company shall not serve as the senior management personnel of the Company.

The term of office of a general manager is three years. A general manager may be re-engaged and serve consecutive terms.

The general manager shall be accountable to the board of directors and exercise the following functions and powers: (i) to lead the management of production and operation of the Company, to organize the implementation of the resolutions of the board of directors, and to report to the board of directors; (ii) to organize the implementation of the Company's annual business schemes and investment plans; (iii) to draft the plans for the set-up of internal management organizations of the Company; (iv) to draft the basic management system of the Company; (v) to formulate the specific rules of the Company; (vi) to propose to the board of directors to engage or dismiss the deputy general manager, chief financial officer, senior research and development director and other senior management personnel of the Company; (vii) to decide on the engagement or dismissal of the management staff other than those required to be engaged or dismissed by the board of directors; and (viii) other functions and powers conferred by this AoA or the board of directors.

The general manager shall attend the board meetings as nonvoting delegates.

The deputy general manager, chief financial officer and senior research and development director shall be proposed by the general manager and be engaged or dismissed by the board of directors.

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Qualification and Obligations of the Directors, Supervisors, General Manager and Other Senior Management Personnel of the Company

The directors of the Company shall be natural persons, but a person who falls under any of the following circumstances may not serve as a director of the Company: (i) the person is without civil conduct capacity or with limited civil conduct capacity; (ii) it has not been more than five years since the person's completion of service of a sentence received for a crime of embezzlement, bribery, appropriation of property, misappropriation of property, or disruption of the economic order of the socialist market, or it has not been more than five years since the person's completion of service of a sentence to deprivation of political rights for a crime; (iii) it has not been more than three years since the date of completion of bankruptcy liquidation of a company or enterprise where the person used to be a director or a factory director or a manager who was personally liable for the bankruptcy of the company or enterprise; (iv) it has not been more than three years since the date of forfeiture of the business license of a company or enterprise of which the person used to be the legal representative who was personally liable for the forfeiture of the business license or the ordered closedown of the company or enterprise for any violation of the law; (v) the person fails to repay a relatively large amount of due debts; (vi) the person is banned by the CSRC from access to the securities market, and the ban has not expired; or (vii) any other circumstances as set out by any law, administrative regulation or departmental rule, or the regulatory rules of the place where the Company's shares are [REDACTED]. Where any director is elected or appointed in violation of this article, such election or appointment shall be void. Where any director falls under any of the circumstances as set out in this article during his or her term of office, the Company shall remove him or her from the office.

The above circumstances shall also apply to the supervisors and senior management of the Company.

Directors shall have the following duties of loyalty to the Company in accordance with laws, administrative regulations and this AoA: (i) directors may not accept bribes or obtain any other illegal income by taking advantage of their functions or appropriate any property of the Company; (ii) directors may not misappropriate the funds of the Company; (iii) directors may not open accounts in their own names or in other individuals' names to deposit any assets or funds of the Company; (iv) directors may not, in violation of this AoA, lend any funds of the Company to others or provide security for others with any property of the Company without the permission of the shareholders' meeting or the board of directors; (v) directors may not enter into contracts or transact with the Company in violation of this AoA or without the permission of the shareholders' meeting; (vi) without the permission of the shareholders' meeting, directors may not take advantage of their positions to seek, for themselves or others, business opportunities that otherwise belong to the Company, or operate the same kind of business as the Company for their own accounts or on behalf of others; (vii) directors may not accept any commissions from others on transactions conducted with the Company; (viii) directors may not disclose any secret of the Company without authorization; (ix) directors may not use their affiliations to damage the interests of the Company; and (x) other duties of loyalty as set out by laws, administrative regulations, departmental rules, and this AoA.

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Directors shall have the following duties of diligence to the Company in accordance with laws, administrative regulations and this AoA: (i) directors shall prudentially, carefully and diligently exercise the rights conferred by the Company to ensure that the business conduct of the Company complies with the laws and administrative regulations of the state and the requirements of various economic policies of the state and the commercial transactions of the Company are within the scope of business indicated in the business license of the Company; (ii) directors shall fairly treat all shareholders; (iii) directors shall keep them informed in a timely manner of the operating and management conditions of the Company; (iv) directors shall confirm in writing and sign the periodic reports of the Company, and ensure the veracity, accuracy and completeness of the information disclosed by the Company; (v) directors shall honestly provide relevant information and materials to the board of supervisors, and may not interfere with the exercise of functions by the board of supervisors or supervisors; and (vi) other duties of diligence as set out by laws, administrative regulations, departmental rules, and this AoA.

The duties of loyalty of directors and the aforementioned (iv), (v) and (vi) duties of diligence shall also apply to the senior management. Supervisors shall abide by laws, administrative regulations and this AoA, and have the duties of loyalty and the duties of diligence to the Company, shall faithfully perform their duties of supervision, may not accept bribes or obtain any other illegal income by taking advantage of their functions, and may not appropriate any property of the Company.