

## APPENDIX V

## SUMMARY OF ARTICLES OF ASSOCIATION

This Appendix sets out summaries of the main clauses of our Articles of Association adopted on March 23, 2023 which shall become effective as at the date on which the H shares are [REDACTED] on the Stock Exchange. As the main purpose of this Appendix is to provide potential [REDACTED] with an overview of the Articles of Association, it may not necessarily contain all information that is important for prospective [REDACTED]. As discussed in the appendix headed “Appendix VII — Documents Delivered to the Registrar of Companies and Available on Display” to this document, the full document of the Articles of Association in Chinese is available for examination.

### 1 DIRECTORS AND BOARD OF DIRECTORS

#### (1) Power to allot and issue shares

The Articles of Association does not contain clauses that authorize the Board of Directors to allot or issue shares. The Board of Directors shall prepare suggestions for share allotment or issue, which are subject to approval by the Shareholders at the general Shareholders’ meeting in the form of a special resolution. Any such allotment or issue shall be in accordance with the procedures stipulated in appropriate laws, administrative regulations and supervision rules of shares listed region.

#### (2) Power to dispose assets of our Company or any subsidiary

The Board of Directors shall determine the authority of external investment, acquisition and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, connected transactions, external donations, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professionals and reported to the shareholders’ meeting for approval.

The transaction within the scope of daily business of the Company that meets one of the following criteria shall be submitted to the Board of Directors for deliberation:

- i. The transaction amount accounts for more than 50% of the Company’s audited total assets in the latest period, and the absolute amount exceeds RMB100 million;
- ii. The transaction amount accounts for more than 50% of the Company’s audited operating income or operating cost in the latest accounting year, and more than RMB100 million;
- iii. The total profit expected from the transaction accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and more than RMB5 million;
- iv. Transactions that should be submitted to the Board of Directors for deliberation in accordance with the relevant provisions of the Listing Rules and other securities regulatory rules of the place where the Company’s shares are listed;
- v. Other transactions that may have a significant impact on the Company’s assets, liabilities, equity and operating results.

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### (3) Guarantees of Loans to Directors, Supervisors or other management personnel

The external guarantee matters of the Company shall be submitted to the Board of Directors or the general meeting of Shareholders ("**General Meeting**") for deliberation.

The following acts of external guarantee (including mortgage, pledge or guarantee) of the Company shall be submitted to the General Meeting for deliberation and approval after being reviewed and approved by the Board of Directors:

- i. Any single guarantee for an amount more than 10% of the Company's net assets audited in the latest period;
- ii. Any guarantee to be provided after the total amount of external guarantees provided by the Company or the subsidiaries it controls has exceeded 50% of the Company's net assets as audited in the latest period;
- iii. Any guarantee to be provided after the total amount of external guarantees provided by the Company has exceeded 30% of its total assets as audited in the latest period;
- iv. Any guarantee to be provided for a party whose ratio of liabilities to assets exceeds 70%;
- v. The amount guaranteed by the Company within one year exceeds 30% of its latest audited total assets;
- vi. Any guarantee to be provided to a Shareholder, or to an ultimate controller or related party thereof;
- vii. Other external guarantees that meet the requirements of laws, regulations, normative documents and the Listing Rules and can take effect only after being reviewed and approved by the General Meeting.

### (4) Provide financial assistance for acquiring the shares of the Company or shares of any subsidiary

The Company or its subsidiaries (including its subsidiaries) will not provide any financial assistance to the person who purchases or intends to purchase the Company's shares in the form of gifts, advances, guarantees, compensation or loans.

### (5) Remuneration

The appointment and removal of the members of the Board of Directors and the Board of Supervisors, as well as their remuneration and payment methods, shall be adopted by the General Meeting by ordinary resolution.

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**(6) Appointment, Resignation and Dismissal**

The Board of Directors is composed of nine directors, including three independent directors. The directors of the Company are elected by the General Meeting. At any time, the Board of Directors should have more than 1/3 independent Directors, and the total number of independent directors should not be less than three.

The Board of Directors has one chairman. The chairman of the Board of Directors shall be elected by more than half of all Directors. The Directors shall be elected or replaced by the General Meeting, and may be removed by the General Meeting through an ordinary resolution before the expiration of their term of office.

The chairman of the Board and other Directors serve three-year terms, and the director can be re-elected and reappointed at the end of the term. The general manager or other senior managers may concurrently serve as directors. However, the total number of directors concurrently serving as the general manager or other senior managers shall not exceed half of the total number of directors of the company. There is no provision in the Articles of Association that imposes any age limit for Directors beyond which retirement of a Director is mandatory.

None of the following persons shall serve as our Director, Supervisor or senior management:

- i. A person who has no civil capacity or has limited civil capacity;
- ii. A person who has been sentenced to a term of imprisonment for any of the following crimes and five years have not elapsed since the date on which execution of the sentence was completed: embezzlement, bribery, conversion of property, misappropriation of property, or sabotaging the socialist economic order; or has been deprived of his/her political rights as a result of a criminal conviction and five years have not elapsed since the date on which execution of the sentence was completed;
- iii. A person who has served as a director, the factory chief, or the manager of an insolvent and liquidated company or enterprise and is held personally liable for such bankruptcy, and three years have not elapsed since the date when the bankruptcy and liquidation of the company or enterprise are completed;
- iv. A person who has served as the legal representative of a company or enterprise whose business license was revoked or which is ordered to close down due to any violation of law, and is held personally liable for the revocation, and three years have not elapsed since the date when the revocation occurs;
- v. A person who has a relatively large sum of debt, which was not paid at maturity;

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- vi. A person who has been banned from entering the securities market by the CSRC and whose term has not expired;
- vii. A person who has been subject to administrative punishment by the CSRC in the last three years, or has been publicly denounced by the stock exchange in the last 12 months;
- viii. A person who has been filed for investigation by the judicial authority due to suspected crimes or has been filed for investigation by the CSRC due to suspected violations of laws and regulations, and has not yet reached a clear conclusion;
- ix. Other contents stipulated by laws, administrative regulations, departmental rules, other normative documents, the Listing Rules and other securities regulatory rules of the place where the company's shares are listed.

The election, appointment or employment of the Directors, Supervisors or other senior management shall be invalid if such election, appointment or employment is against the Articles of Association. If the Directors, Supervisors or senior management falls into the situations provided in the above-mentioned situations during their term of office, they would be dismissed by our Company.

### **(7) Borrowing powers**

The Board of Directors shall be entitled to decide to borrow money within the scope of authorization by the Shareholder's general meeting or it is required according to the listing rules of the stock exchange where our Company is listed.

The Board of Directors shall be entitled to develop proposals for our Company to issue bonds and to list its Shares, and that such bond issues must be approved by the Shareholders by a special resolution at the General Meeting.

### **(8) Duties**

The directors shall abide by laws, administrative regulations and the Articles of Association, and shall have the following fiduciary duties to the Company:

- i. Shall not abuse their authority by accepting bribes or other illegal income, and shall not convert company property;
- ii. Shall not misappropriate company funds;
- iii. Shall not deposit Company's assets into accounts held in their own names or in the name of any other individual;

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- iv. Shall not, in violation of the Articles of Association, loan Company's funds to any other person or give Company's assets as security for the debt of any other person without the approval of the General Meeting or the Board of Directors;
- v. Shall not conclude any contract or engage in any transaction with the Company either in violation of the Articles of Association or without the approval of the General Meeting;
- vi. Shall not use the advantages provided by their own positions to pursue business opportunities that properly belong to the Company to engage in the same business as the Company either for their own account or for the account of any other person without the approval of the General Meeting;
- vii. Shall not accept commissions paid by others for transactions conducted with the Company as their own;
- viii. Shall not disclose confidential Company's information without authorization;
- ix. Shall not abuse their connected relationships to damage the Company's interests;
- x. Shall not take advantage of their functions and powers in the Company to seek illegitimate interests;
- xi. Laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules of the place where the company's shares are listed and other fiduciary obligations stipulated in the Articles of Association;

The income obtained by the director in violation of above article shall belong to the Company; If losses are caused to the Company, it shall be liable for compensation.

Directors shall abide by laws, administrative regulations and the Articles of Association, and have the following diligent obligations to the Company:

- i. Shall prudently, earnestly and diligently exercise the powers the Company grants to them to ensure that the Company conducts its commercial activities in a manner that complies with the requirements of state laws, administrative regulations and state economic policies, and that the Company's commercial activities do not go beyond the scope of the business activities stipulated in the Company's business license;
- ii. Shall treat all Shareholders fairly;
- iii. Shall maintain a timely awareness of the operation and management of the Company;

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- iv. Shall sign written statements confirming the regular reports of the Company, and ensure that the information disclosed by the Company is true, accurate and complete;
- v. Shall provide accurate information and materials to the Board of Supervisors and shall not obstruct the Board of Supervisors or individual Supervisors from performing its or their duties;
- vi. Ensure that there is enough time and energy to participate in the Company's affairs, and carefully judge the risks and benefits that may arise from the matters under consideration; In principle, they should attend the meeting of the Board of Directors in person. If they authorize other directors to attend the meeting on their behalf for some reason, they should carefully select the trustee. The authorization matters and decision-making intentions should be specific and clear, and they should not be entrusted with full powers;
- vii. Pay attention to the Company's business status and other matters, report relevant problems and risks to the Board of Directors in a timely manner, and shall not claim exemption from liability on the grounds of not being familiar with the Company's business or not knowing relevant matters;
- viii. Actively promote the standardized operation of the Company, timely correct the Company's violations, and support the Company to fulfill its social responsibilities;
- ix. Laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules of the place where the Company's Shares are listed, and other obligations of diligence stipulated in the Articles of Association.

The duty of loyalty assumed by the Directors shall not be automatically relieved within a reasonable period after the resignation report has not come into effect or has come into effect, and within a reasonable period after the end of the term of office. The duty of confidentiality of the Company's business secrets shall remain valid after the resignation report comes into effect or the end of the term of office, until the secrets become public information.

The specific time limit for Directors to undertake the obligation of loyalty after the resignation takes effect or the term of office expires is 2 years from the date of the resignation takes effect or the term of office expires. The duration of other obligations shall be determined in accordance with the principle of fairness, depending on the length of time between the occurrence of the event and the departure of the post, and the circumstances and conditions under which the relationship with the Company ends.

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Without the provisions of the Articles of Association or the lawful authorization of the Board of Directors, no Director shall act in his own name on behalf of the Company or the Board of Directors. When a Director acts in his/her own name, the Director shall declare his/her position and identity in advance if the third party reasonably believes that the Director is acting on behalf of the Company or the Board of Directors.

Where any Director or senior officer, in the course of his company duties, violates any law, administrative regulations or the Articles of Association and causes the Company to suffer a loss, shareholders individually or jointly holding more than 1% of the Company's Shares for more than 180 successive days may make a written request to the Board of Supervisors to bring a lawsuit in the people's court; where the Board of Supervisors, in the course of its company duties, violates any law, administrative regulations or the Articles of Association and causes the Company to suffer a loss, the shareholders may make a written request to the Board of Directors to bring a lawsuit in the people's court.

Where the Board of Supervisors or the Board of Directors refuses to bring a lawsuit after receiving a written request from the Shareholders prescribed in the preceding paragraph or fails to bring a lawsuit within 30 days of receiving such a request, or where the situation is so urgent that failure to bring a lawsuit will lead to irreparable damage to the interests of the Company, the Shareholders prescribed in the preceding paragraph may bring a lawsuit directly in their own names for the benefit of the Company.

In the event of any other person infringes upon the legitimate rights and interests of our Company and causes losses thereto, the shareholder(s) specified in this Articles of Association may file an action with the competent court pursuant to the provisions of the preceding two paragraphs.

In the event of a Director or senior management person violates laws, administrative regulations or our Company's Articles of Association, thereby damaging the interests of the Shareholder(s), the Shareholder(s) may file an action with the competent court.

## **2 MODIFICATION OF THE ARTICLES OF ASSOCIATION**

Our Company may amend the Articles of Association based on the provisions of the laws, administrative regulations and Articles of Association.

Where the amendments to the Articles of Association passed by the General Meetings need the examination and approval of the competent authorities, these amendments shall be submitted hereto for approval. Where the amendment of the Articles of Association involves registration, it shall be necessary to carry out the lawfully prescribed procedures for registration change.

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### **3 SPECIAL RESOLUTIONS NEEDED TO BE ADOPTED BY ABSOLUTE MAJORITY VOTE**

The resolutions of the General Meeting shall be divided into ordinary resolutions and special resolutions.

An ordinary resolution may be adopted by a simple majority of the votes held by the Shareholders (including proxies of Shareholders) attending the General Meeting.

A special resolution can be adopted by a two-thirds majority of the votes held by the Shareholders (including proxies of Shareholders) attending the General Meeting.

### **4 VOTING RIGHTS**

The Shares held by the Shareholders of the Company are ordinary shares, without special voting rights. Shareholders (including proxy) shall exercise their voting rights according to the number of voting Shares they represent, and each Share shall have one vote.

The General Meeting of Shareholders shall vote by open ballot. The same voting right can only choose one of on-site or other voting methods. In case of repeated voting with the same voting right, the first voting result shall prevail.

Shareholders attending the General Meeting shall express one of the following opinions on the proposal submitted for voting: affirmative, negative or abstention. The securities registration and clearing organisation shall be the nominee holder of shares on the Interconnection Mechanism for Mainland and Hong Kong Stock Markets, except where declaration is made in accordance with the actual holder's intent. Where any ballot is not completed in full, is completed incorrectly or unintelligibly, or has no vote recorded, the voter shall be deemed to have waived his voting rights and the voting result for his shares shall be deemed as an "abstention".

### **5 RULES ON GENERAL MEETINGS**

The General Meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months of the end of the previous fiscal year.



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### 6 ACCOUNTING AND AUDITS

#### (1) Financial and accounting policies

Our Company shall develop its financial accounting policies pursuant to laws, administrative regulations and rules developed by the competent department. Where there are special rules in the listing rules of the stock exchange where the shares are listed, the special rules would prevail.

The Company shall prepare its annual financial and accounting report within 4 months after the end of each fiscal year, and prepare its interim financial and accounting report within 2 months after the end of the first half of each fiscal year. The above financial and accounting reports are prepared in accordance with relevant laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed.

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

#### (2) Appointment and Dismissal of Accountants

The Company employs an accounting firm that complies with the provisions of the Securities Law, the Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed to conduct accounting statement audit, net asset verification and other related consulting services. The employment period is one year, and can be renewed.

The employment of accounting firms by the Company must be decided by the General Meeting, and the Board of Directors shall not appoint accounting firms before the decision of the General Meeting. The audit fee of the accounting firm shall be determined by the General Meeting.

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

The Company shall notify the accounting firm 10 days in advance when dismissing or no longer renewing the accounting firm. The accounting firm shall be allowed to state its opinions when the General Meeting votes on dismissing the accounting firm. If the accounting firm proposes to resign, it shall explain to the General Meeting whether the Company has any improper situation.

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### 7 NOTICE AND AGENDA OF GENERAL SHAREHOLDERS' MEETINGS

The General Meeting is the authorized organ of our Company that performs duties and exercises powers in accordance with the law.

Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months:

- i. where the number of directors falls below the number prescribed in the Company Law or below two thirds of the number prescribed in the Articles of Association;
- ii. where the Company's unfunded losses reach one third of total Share capital paid in;
- iii. where Shareholders who individually or jointly hold no less than 10% of the Company's stock request holding of such a meeting;
- iv. where the Board of Directors deems it necessary;
- v. where the Board of Supervisors proposes such a meeting;
- vi. Where the number of independent Directors falls below the quorum;
- vii. in any other circumstances prescribed by laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association.

In the event that the Board of Directors agree to convene an extraordinary general meeting, the notice of convening extraordinary general meeting shall be issued within 5 days after the Board of Directors makes a resolution. With regard to the proposal of convening an extraordinary general meeting made by the Board of Supervisors, if the Board of Directors made a rejection or does not respond within 10 days after it receiving the proposal, it shall be viewed as the Board of Directors is unable to or fails to perform its meeting duty of convening the General Meeting and the Board of Supervisors may convene and preside over the meeting by its own.

Shareholders who separately or jointly hold 10% or more of the shares may request in writing to convene an extraordinary general meeting. If the Board of Directors does not issue a notice of convening the meeting within 10 days after receiving the above written requirement, or refused to convene, the shareholders who make the request may request the Board of Supervisors in writing to convene the meeting. If the Board of Supervisors does not issue the notice about convening the meeting within 5 days after receiving the above written requirement, the Shareholders who make the request could convene and preside the meeting by themselves.

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In the event that the General Meeting is convened, the Board of Directors, the Board of Supervisors and Shareholders who separately or jointly hold more than 3% of the shares of our Company may submit a proposal 10 days before the meeting.

When convening a General Meeting, our Company shall send a written notice 21 days before it is convened. When convening an extraordinary general meeting, our Company shall send a written notice 15 days before it is convened. When the Company calculates the starting period of "21 days" and "15 days", it does not include the date of the meeting, but includes the date of the notice.

The notice of the General Meeting shall be made in writing, including the following contents:

- i. the place, the date and the hour of the meeting;
- ii. the matters to be discussed at the meeting;
- iii. a prominent written statement as follows: all Shareholders have the right to attend the General Meeting, and may authorize in written form a proxy, who need not necessarily be a Shareholder, to attend and vote at the meeting;
- iv. the equity registration date of Shareholders entitled to attend the General Meeting
- v. the names and phone number of the standing contact person for affairs;
- vi. voting time and voting procedure by network or other means (if any).

The notice of the General Meeting and the supplementary notice shall fully and completely disclose all the specific contents of all proposals, as well as all the materials or explanations required to enable the Shareholders to make a reasonable judgment on the matters to be discussed. If the matter to be discussed needs the opinion of independent Directors, the opinions and reasons of independent Directors will be disclosed at the same time when the notice General Meeting or supplementary notice is issued. The start time of voting (if any) by network or other means at the General Meeting shall not be earlier than 3:00 p.m. on the day before the on-site General Meeting is held, nor later than 9:30 a.m. on the day of the on-site General Meeting, and the end time shall not be earlier than 3:00 p.m. on the day of the on-site General Meeting.

The interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it cannot be changed.

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The resolution of the General Meeting includes ordinary resolution and special resolution. The following matters shall be approved by the General Meeting through ordinary resolutions:

- i. Work report of the Board of Directors and the Board of Supervisors;
- ii. Plans of earnings distribution and loss make-up schemes drafted by the Board of Directors;
- iii. Appointment or dismissal of the members of the Board of Directors and the Board of Supervisors, and their payment and payment methods;
- iv. Annual budget and final account report;
- v. Annual report of the Company;
- vi. Make a resolution on the Company's employment, dismissal or discontinuation of employment of the accounting firm or the remuneration of the accounting firm;
- vii. Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, Listing Rules, listing rules of the stock exchange where the Shares are listed or the Articles of Association.

The following matters shall be approved by special resolution at the General Meeting:

- i. the increase or decrease of the registered capital;
- ii. Division, split-up, merger, dissolution and liquidation of the Company (including voluntary liquidation of the company);
- iii. Amendment of the Articles of Association;
- iv. The accumulated amount of purchase and sale of major assets or guarantee calculated by the Company within one year exceeds 30% of the Company's latest audited total assets;
- v. Equity incentive plan; and
- vi. Other matters required by laws, administrative regulations, the Listing Rules, other securities regulatory rules of the place where the Company's Shares are listed, or the Articles of Association, as well as those determined by the General Meeting to have a significant impact on the Company and need to be passed by special resolution.

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In the event that any resolution of the General Meeting or resolution of the Board of Directors violates laws or administrative regulations, any Shareholder is entitled to request the court to deem it as invalid.

In the event that the convening procedure or voting formula of the General Meeting or meeting of the Board of Directors violates any of laws, administrative regulations or the Articles of Association, or resolution of which violates the Articles of Association, any Shareholder is entitled to ask the court to overturn within 60 days after the resolution was adopted.

### 8 SHARE TRANSFERS

The Shares of our Company holding by the funders thereof shall not be transferred within one year of the date of establishment of our Company. The Shares issued before the Company's [REDACTED] of Shares shall not be transferred within one year from the date of [REDACTED] and [REDACTED] of the Company's Shares on the main board of the Stock Exchange.

The Directors, Supervisors, and senior management of our Company shall declare, to our Company, information on their holdings of the Shares of our Company and the changes thereto. The Shares transferable by them during each year of their term of office shall not exceed 25 percent of their total holdings of the Shares of our Company. The Shares that they hold in our Company shall not be transferred within one year of the date on which the stocks of our Company are listed and traded. The aforesaid persons shall not transfer their Shares of our Company within half a year from the date of their resignation.

Where any Director, Supervisor or senior manager of the Company who holds more than 5% of the Company Shares sells company's stock he holds within 6 months of the relevant purchase, or purchases any stock he has sold within 6 months of the relevant sale, the proceeds generated therefrom shall be incorporated into the profits of the Company, and the Board of Directors of the Company shall recover the proceeds. However, the following circumstances shall be excluded where a securities company holds more than 5% of the shares due to its purchase of any remaining Shares under a best efforts underwriting or where the provisions of the securities regulatory authority under the State Council and the securities regulatory authority at the place where the Shares of the Company are listed apply.

Shares or other securities with the nature of equity held by Directors, Supervisors, senior executives and individual shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts. If the Board of Directors of the Company fails to comply with the above paragraph of this Article, the Shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the Shareholders are entitled to initiate litigation directly in the People's Court in their own names for the interest of the Company. And if the Board of Directors fails to implement the provisions set forth in this Article, the responsible Directors shall bear joint and several liability in accordance with law.

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### 9 RIGHTS OF OUR COMPANY TO PURCHASE OUR OUTSTANDING ISSUED SHARES

The Company may acquire its own Shares in accordance with the laws, administrative regulations, departmental rules, and provisions of the Articles of Association if:

- i. It reduces its registered capital;
- ii. It merges with other companies holding its shares;
- iii. It uses shares for its employee stock ownership plan or equity incentive;
- iv. The Shareholders raise objections to resolutions by the General Meeting on the merger or division of the Company, and thus requiring the Company to acquire their Shares;
- v. It converts its Shares into corporate bonds convertible into Shares issued by the Company;
- vi. It is necessary for the Company to maintain its value and rights and interests of Shareholders.

The Company may purchase its own Shares through public centralized trading, or through other means recognized by the laws, administrative regulations, the Listing Rules, and other securities regulatory rules of the place where the Company's Shares are listed or the CSRC (if required). Where any Company purchases its own Shares under any of the circumstances specified in Items 3, 5, or 6 of Article 24 of its Articles of Association, centralized trading shall be adopted publicly.

Upon buyback of the Company's Shares, the Company shall perform information disclosure obligation pursuant to the relevant provisions of laws, administrative regulations, rules, normative documents and the Listing Rules etc. Where the relevant regulatory rules of the place where the Company's Shares are listed stipulate otherwise on matters involved in Share buyback, such provisions shall prevail.

### 10 POWER FOR ANY SUBSIDIARY OF OUR COMPANY TO OWN SHARES IN ITS PARENT

There are no provisions in the Articles of Association relating to ownership by subsidiary of our Company of shares in its parent.

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### 11 DIVIDEND AND OTHER DISTRIBUTION METHODS

The Company attaches importance to the reasonable return on investment to Shareholders, and the profit distribution should follow the principle of paying attention to the reasonable return on investment to Shareholders and benefiting the long-term development of the Company. The Company's profit distribution policy should maintain continuity and stability, and comply with the relevant provisions of laws and regulations. The Company may distribute dividends in cash or stock. Under the condition that the Company has distributable profits, the Board of Directors of the Company may make cash dividend distribution plans or/and stock dividend distribution plans according to the Company's business and financial conditions.

After the General Meeting of our Company make a resolution on dividends distribution plan, the Board of Directors shall complete the distribution within 2 months after the convening of the General Meeting.

### 12 SHAREHOLDER PROXIES

Shareholders can attend the General Meeting in person or entrust a proxy to attend and vote on their behalf.

Any proxy statement issued by a Shareholder who authorizes a proxy to attend the General Meeting on his behalf shall include the following details:

- i. the name of the proxy;
- ii. whether the proxy is authorized to vote;
- iii. respective instructions on affirmative, negative or abstention voting on each item for consideration listed in the General Meeting agenda; Specific instructions on whether the temporary proposal that may be included in the agenda of the General Meeting has the right to vote and what kind of voting rights should be exercised if it has the right to vote;
- iv. the issuance date and valid period of the proxy statement;
- v. the signature (or seal) of the Shareholder. Where the Shareholder is a legal person, the legal person's seal shall be affixed.

The power of attorney shall indicate whether the shareholder's proxy can vote according to his own will if the Shareholder does not give specific instructions. A Shareholder's proxy need not be a Shareholder of the Company.

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Where a Shareholder authorizes another person to sign a proxy statement for voting, the power of attorney for signing authority or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall be lodged at the Company's domicile or any other place stipulated in the meeting notice. Where the Shareholder is a legal person, its legal representative or any person authorized by a resolution of the Board of Directors or other decision-making body shall attend the General Meeting as its proxy.

If a member is a recognised clearing house (or its agent) as such term is defined in the relevant regulations from time to time in Hong Kong, it may authorize one or more persons as it thinks fit to act as its representative at any general meeting; Provided, however, that if more than one person is so authorised the powers of attorney shall set forth the number and class number of shares in respect of which each such person has so authorised and shall be signed by the person or persons who have been duly authorised by the clearing house. A person so authorised may attend (without production of share certificate by notarial authority and/or further evidence of due authority) and exercise all rights (including the right to speak and vote) on behalf of a recognised clearing house (or its alternate) as if that person were an individual Shareholder of the Company.

### **13 REVIEW THE REGISTER OF SHAREHOLDERS AND OTHER RIGHTS OF SHAREHOLDERS**

The Company establishes the register of Shareholders according to the certificate provided by the securities registration authority. The register of Shareholders is sufficient evidence to prove that the Shareholders hold the Company's Shares. Shareholders enjoy rights and assume obligations according to the types of shares they hold; Shareholders holding the same kind of Shares shall enjoy the same rights and undertake the same obligations.

The Hong Kong branch of the register of Shareholders must be available for inspection by Shareholders, but the Company may be allowed to suspend the registration of Shareholders under the same conditions as the following:

- i. The Company may close its register of Shareholders for one or more periods after giving a notice in accordance with paragraph (2), but the total closing period shall not exceed 30 days in any year;
- ii. If the notice referred to in subsection (1) is issued by the Company, it shall be issued in accordance with the listing rules applicable to the relevant securities market; Or in an advertisement in a newspaper widely circulated in Hong Kong; And, if issued by any other company, must be issued in an advertisement in a newspaper widely circulated in Hong Kong;
- iii. For any year, the 30-day period referred to in paragraph (1) may be extended by a resolution of the Shareholders of the Company passed within that year;
- iv. The 30-day period mentioned in paragraph (1) shall not be extended for an additional period of more than 30 days in any year, or more than one additional period of more than 30 days in total.



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When our Company convenes the General Meeting, pays dividends, goes into liquidation or is involved in other actions that require the confirmation of identities, the Board of Directors or the convener of the General Meeting shall determine the Shareholders who enjoy the relevant rights and interests according to the register of Shareholders.

### 14 RESTRICTIONS ON RIGHTS OF CONTROLLING SHAREHOLDERS

The controlling Shareholders and actual controllers of the Company shall not use their connected relationship to damage the legitimate interests of the Company and other shareholders; Controlling shareholders and actual controllers who violate relevant laws, regulations and Articles of Association and cause losses to the Company and other Shareholders shall be liable for compensation.

Controlling Shareholders and ultimate controllers of the Company shall have a duty of care to the Company and other Shareholders. Controlling Shareholders shall exercise their investors' rights in strict accordance with the law and shall not damage the lawful interests of the Company or of public Shareholders in any way such as via the distribution of profits, an asset reorganization, external investments, the use of Company's funds or the provision of a loan guarantee, nor shall they abuse their controlling positions to damage the interests of the Company or of public Shareholders.

### 15 PROCEDURES FOR LIQUIDATION

Under any of the following circumstances, our Company shall be lawfully dissolved and liquidated:

- i. the operating term prescribed in the Articles of Association has expired, or any other grounds for dissolution prescribed in the Articles of Association have arisen;
- ii. the General Meeting has adopted a resolution to dissolve the Company;
- iii. dissolution is required due to a merger involving the Company or the breakup of the Company;
- iv. the Company is declared legally bankrupt as a result of failure to pay debts as they fall due;
- v. the Company's business license has been lawfully revoked, or the Company has been ordered to close down or wound up; or
- vi. where serious difficulties have arisen in the operation of the Company and the continuation of the Company would certainly damage the Shareholders' interests to a significant extent; however, where any such scenario cannot be resolved through other channels, Shareholders representing more than 10% of all voting rights may petition the people's court to dissolve the Company.

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Where the Company is to be dissolved pursuant to Items i, ii, v or vi of above paragraph of this Article, a liquidation committee shall be established within 15 days from the date when the event of dissolution occurs. The liquidation committee shall be composed of Directors or members determined by the General Meeting. Where the Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time, its creditors may petition the people's court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.

After the establishment of the liquidation committee, the powers of the Board of Directors and the general manager shall cease immediately. During liquidation, the Company shall not carry out new business activities.

Within 10 days of the establishment of the liquidation committee, the creditors shall be notified and an announcement shall be published in at least one newspaper within 60 days. Creditors shall file their claims with the liquidation committee within 30 days of receiving the notice, or within 45 days of publication of the first notice if any such creditor does not receive the notice.

In filing their claims, creditors shall provide all relevant details relating thereto and provide supporting materials. The liquidation committee shall make records of such claims. The liquidation committee shall not pay out on any creditors' claims while such claims are still being filed.

After identifying the Company's assets and preparing the balance sheet and schedule of assets, the liquidation committee shall prepare a liquidation plan, which shall be submitted to the General Meeting or the people's court for ratification. After paying all liquidation expenses, staff wages and labor insurance expenses, outstanding taxes, and Company's debts, the remaining assets shall be distributed to the Shareholders in proportion to their respective shareholdings.

During the liquidation, our Company shall continue to exist, but shall not carry out business activities irrelevant to the liquidation. The property of our Company shall not be distributed to any Shareholder before full payments have been made out of the property according to the aforesaid provision.

Where the liquidation committee, after identifying the Company's assets and preparing the balance sheet and schedule of assets, discovers that the Company does not have sufficient assets to repay the Company's debts in full, the liquidation committee shall file a bankruptcy petition with the people's court in accordance with the law.

After our Company is declared bankrupt by ruling of the people's court, the liquidation committee shall turn over matters regarding the liquidation to the people's court.

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Upon closure of liquidation of our Company, the liquidation committee shall prepare a liquidation report, income and expenditure statement and financial record during the liquidation period, which shall be submitted to our General Meeting or the people's court for confirmation. The liquidation committee shall, from the date of the confirmation of the liquidation report by the General Meeting or the people's court, submit it to the company registration authority to apply for cancellation of the Company's registration and announce the termination of the Company.

### **16 OTHER IMPORTANT PROVISIONS FOR OUR COMPANY OR THE SHAREHOLDERS**

#### **(1) General Provisions**

Our Company is a permanently existing joint stock limited company.

All the assets of the company are divided into shares of equal value. The Shareholders are responsible for the Company to the extent of their subscribed Shares, and the Company is responsible for the Company's debts with all its assets.

The Articles of Association shall, from the date on which they take effect, be the legally binding document that regulates the organization and activities of the Company and the relationship of rights and obligations as between the Company and the Shareholders and among the Shareholders, and shall be legally binding on the Company, the Shareholders, the Directors, the Supervisors and senior officers. Based on the Articles of Association, any Shareholder may bring a lawsuit against another Shareholder, a Director, a Supervisor, a manager or any other senior officer. Any Shareholder may bring a lawsuit against the Company, and the Company may bring a lawsuit against any Shareholder, Director, Supervisor, manager or any other senior officer.

The Company shall, subject to the provisions of the Constitution of the Communist Party of China, establish a communist party organization and carry out party-related activities. The Company provides the necessary conditions for the activities of the party organization (if necessary).

#### **(2) Share and Transfer**

Our Company may increase stock capital by the following means:

- i. Public offering of shares;
- ii. Non-public issuance of shares;
- iii. Allocating or giving bonus Shares to existing Shareholders;
- iv. Converting the reserve funds into Share capital;
- v. Other means approved by the laws, administrative regulations and relevant regulatory authorities.

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Our Company may decrease our registered Share capital and shall comply with the procedures stipulated in Company Law, other related regulations, the Listing Rules, other securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

Domestic unlisted Shares and overseas listed foreign Shares issued by the Company enjoy the same rights in any distribution made in the form of dividends (including cash and physical distribution) or other forms. It is not allowed to exercise any power to freeze or otherwise damage any of its rights attached to the shares just because any person who directly or indirectly owns the interests has not disclosed their interests to the company.

The H shares [REDACTED] by the company are centrally deposited in [REDACTED].

### (3) Shareholders

Shareholders are entitled to rights and assumes obligations pursuant to the classification and ratio of their shares. Shareholders holding the same classified share have the same rights and assume the same obligations.

The rights of Shareholders are as follows:

- i. the right to receive dividends and benefits distributed in other forms according to the number of Shares they hold;
- ii. the right to legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the General Meeting and exercise corresponding voting rights;
- iii. the right to supervise company's operations and make suggestions or inquiries;
- iv. the right to transfer, donate or pledge their Shares in accordance with laws, administrative regulations and the Articles of Association;
- v. the right to read the Articles of Association, the list of Shareholders, Company bond stubs, General Meeting minutes, resolutions of meetings of the Board of Directors, resolutions of meetings of the Board of Supervisors and financial and accounting reports;
- vi. the right to participate in the distribution of the Company's residual assets on the winding up or liquidation of the Company according the number of Shares they hold;
- vii. Shareholders who have a different view on any resolution of the General Meeting to merge or break up the Company shall have the right to require the Company to purchase their Shares; and
- viii. other rights prescribed in laws, administrative regulations, departmental rules and the Articles of Association.

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Where any Shareholder demands to read the relevant information or obtain any of the aforesaid materials, he shall submit to the Company written documents proving the class(es) and number of shares he holds. the Company shall provide the relevant information or materials in accordance with the Shareholder's demand after verifying the Shareholder's identity.

The obligations of Shareholders are as follows:

- i. to abide by laws, administrative regulations and the Articles of Association;
- ii. to provide Share capital according to the Shares subscribed for and Share participation methods;
- iii. not to return Shares unless prescribed otherwise in laws and administrative regulations;
- iv. not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors. Any company Shareholder who abuses Shareholders' rights and causes the Company or other Shareholders to suffer a loss shall be liable for making compensation in accordance with the law. Any Shareholder who abuses the status of the Company as an independent legal entity or the limited liability of Shareholders to evade debts and seriously damages the interests of the Company's creditors shall assume joint and several liability for the Company's debts;
- v. to perform other duties prescribed in laws, administrative regulations and the Articles of Association;

### **(4) The Board of Directors**

The Board of Directors is responsible to the General Meeting and exercises the following powers:

- i. to convene the General Meeting and present reports thereto;
- ii. to implement resolutions adopted by the General Meeting;
- iii. to determine the Company's operating plans and investment programs;
- iv. to draft the Company's annual financial budget and final accounts plan;
- v. to draft plans for the distribution of company profits and plans to cover losses;

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**SUMMARY OF ARTICLES OF ASSOCIATION**

- vi. to draft plans relating to any increase or reduction in registered capital, the issuance of bonds or other securities, or listing;
- vii. to draft plans for the Company's major purchases, the purchase of company stock, or any merger, breakup, change of corporate form or dissolution of the Company;
- viii. to determine, within the scope of the powers granted by the general meeting, matters including the Company's external investments, the sale and purchase of assets, asset mortgages, external guarantees, third party financial management, related-party transactions, donation to other organizations, among other matters;
- ix. to determine the establishment of the Company's internal management structure;
- x. to decide on matters such as appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other senior officers and on their compensation and incentives/disincentives; to decide on appointment or dismissal of the Company's deputy managers, finance manager and other senior officers as nominated by the manger and on their remuneration and incentives/disincentives;
- xi. to formulate the Company's basic management systems;
- xii. to formulate plans to amend the Articles of Association;
- xiii. to manage the disclosure of information by the Company;
- xiv. to make proposals to the General Meeting on the appointment or replacement of the accounting firm that audits the Company;
- xv. to hear work reports given by the general manager of the Company and oversee the general manager's work;
- xvi. any other power granted by laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association.

Matters beyond the scope of authorization of the General Meeting shall be submitted to the General Meeting for deliberation.

Meetings of the Board of Directors shall be attended by more than one-half of the Directors (including proxies) before the Board of Directors meeting can be convened.

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### (5) Independent Non-executive Director

At any time, the Board of Directors should have more than 1/3 of independent Directors, and the total number of independent Directors should not be less than three. At least one independent Director should have appropriate professional qualifications that meet regulatory requirements, or have appropriate accounting or related financial management expertise.

### (6) Secretary of the Board of Directors

The Company shall appoint a secretary of the Board of Directors, who shall be responsible for preparing for General Meetings and meetings of the Board of Directors, the retention of documents, the management of Shareholder materials, the disclosure of information, etc.

### (7) Board of Supervisors

Our Company shall set up a Board of Supervisors.

The Board of Supervisors consists of three Supervisors, including one employee representative Supervisor and one chairman. The chairman of the Board of Supervisors shall be elected by more than half of all Supervisors.

The Board of Supervisors shall be composed of Shareholder representatives and an appropriate proportion of company employee representatives. The number of employee representatives shall be no less than one third of all Supervisors. Employee representatives on the Board of Supervisors shall be democratically elected by employees through the employee representative congress, the employee congress, or any other means.

The Board of Supervisors shall exercise the following powers:

- i. to examine and give written examination opinions on the Company's regular reports prepared by the Board of Directors;
- ii. to review the financial affairs of the Company;
- iii. to monitor the conduct of the Directors or senior officers in the course of performing their duties and to propose the recall of any Director or senior officer who violates any law or administrative regulations, or the Listing Rules and other securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association;
- iv. to require any Director or senior officer who damages the Company's interests to take remedial action;
- v. to propose interim General Meetings, and to convene and preside over a General Meeting when the Board of Directors fails to perform its duty to convene and preside over a General Meeting as prescribed in the Company Law;

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- vi. to submit proposals to the General Meeting;
- vii. to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 151 of the Company Law;
- viii. to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage an accounting firm to assist in any such investigation at the expense of the Company;
- ix. Other powers prescribed by the Articles of Association and granted by the General Meeting.

The Supervisors may attend the meetings of the Board of Directors, query or provide suggestions on the resolution matters of the Board meeting.

### **(8) General manager**

Our Company has one general manager, appointed or dismissed by the Board of Directors. The general manager of our Company is responsible to the Board of Directors and exercises the following powers:

- i. to manage the Company's production and operations, and organize the implementation of board resolutions;
- ii. to organize the implementation of the Company's annual operating plans and investment programs;
- iii. to draft the plan for the Company's internal management structure;
- iv. to formulate the Company's basic management systems;
- v. to formulate detailed company rules;
- vi. to make recommendations to the Board of Directors on the appointment or removal of any deputy manager or the finance manager;
- vii. to appoint or remove officers of the Company other than those to be appointed or removed by the Board of Directors;
- viii. to review and approve other connected transactions beyond the approval authority of the Board of Directors or the General Meeting;
- ix. any other power granted by the Articles of Association and the Board of Directors.



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**(9) Reserves**

In distributing its current-year after-tax profits, the Company shall allocate 10% of its profit to its statutory reserve fund.

Allocations to the Company's statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company's registered capital.

Where the statutory reserve fund is not sufficient to cover any loss made by the Company in the previous year, the current year's profit shall be used to cover such loss before any allocation is made to the statutory reserve fund pursuant to the preceding paragraph.

After an allocation to the statutory reserve fund has been made from the after-tax profit of the Company, and subject to the adoption of a resolution by the General Meeting, an allocation may be made to the discretionary reserve fund.

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

Where the General Meeting or the Board of Directors, in violation of the preceding paragraph, distributes profits to the Shareholders before covering Company's losses and making an allocation to the Company statutory reserve fund, the profits so distributed must be returned to the Company.

Profits shall not be distributed to Shares held by the Company itself.

Company reserve funds shall be used to cover Company's losses, expand production and operations, or converted to increase the Company's capital. However, the capital reserve fund must not be used to cover Company's losses.

After converting statutory reserve funds into capital, the amount remaining in the statutory reserve fund shall be no less than 25% of the Company's registered capital.