
APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

This appendix sets out the summary of the principal provisions of the Articles of Association. The principal objective of this appendix is to provide potential [REDACTED] with an overview of the Articles of Association, hence it does not contain all information that may be important to potential [REDACTED]. As stated in the section “Documents Delivered to the Registrar of Companies and Available on Display” in Appendix VIII to the Document, the full Chinese text of the Articles of Association is available for inspection.

SHARES

Share Issuance

The shares of the Company shall take the form of share certificates.

All the shares issued by the Company shall have a par value, which shall be RMB1 for each share.

The Company shall issue shares in an open, fair and just manner, and each share of the same class shall have the equal rights.

The issuing conditions and price for each share of the same class issued at the same time shall be the same and each share subscribed by any entity or individual shall be subscribed at the same price.

The Company shall fulfill the filing procedures with China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) in accordance with the laws for [REDACTED] its shares to both domestic and foreign investors.

Increase, Decrease and Repurchase of Shares

According to the need of the operation and development and in compliance with the provisions of the laws and regulations, the Company may increase its capital in any of the following ways respectively upon resolution by the general meeting:

- (I) [REDACTED] shares;
- (II) [REDACTED] shares;
- (III) issue bonus shares to existing shareholders;
- (IV) convert capital reserves into share capital;
- (V) other means permitted by laws and administrative regulations, and CSRC.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

The Company may reduce its registered capital. The reduction of registered capital shall follow the procedures set forth in the PRC Company Law and other regulations and provisions of the Articles of Association.

The Company may not repurchase its own shares, save as under the following circumstances:

- (I) reduction of the registered capital of the Company;
- (II) merging with another companies holding holds shares in the Company;
- (III) granting shares for employee share ownership schemes or share option incentives;
- (IV) being requested to repurchase the shares held by the shareholders who disagree on the resolution approved at the general meeting in relation to the merger or division of the Company;
- (V) utilizing shares for conversion into convertible corporate bonds issued by the [REDACTED] company;
- (VI) being deemed necessary by the [REDACTED] company for the protection of the company’s value and shareholders’ interests.

Repurchase of the Company’s shares can be carried out in a public and centralized manner, or other ways approved by the laws and administrative regulations and the CSRC.

Repurchase of the Company’s shares in the circumstances as stipulated in items (III), (V) or (VI) of the preceding paragraph shall be carried out in a public and centralized manner.

If the repurchase is made for reasons set out in items (I), (II) of the preceding paragraph, the prior approval shall be obtained from the general meeting in accordance with the provisions of the Articles of Association. If the repurchase is made for reasons set out in items (III), (V) or (VI) of the preceding paragraph, it shall be approved by resolution passing by more than two-thirds of the votes cast by the directors attending the board meeting.

If relevant matters involved in the repurchase of shares aforementioned are otherwise required by the laws, administrative regulations, departmental rules, the Articles of Association and Hong Kong Stock Exchange, such requirements and regulations shall prevail.

Share Transfer

Shares of the Company are legally transferable.

The Company refuses its own stocks as the subject matter of pledge right.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

Shares of the Company held by the promoters shall not be transferred within one year from the Company’s establishment. The Shares which have already been issued prior to the Company’s [REDACTED] shall not be transferred within one year after the Company’s stocks are [REDACTED] at the stock exchange.

The directors, supervisors and senior management of the Company shall report to the Company the shares held by them in the Company and any alterations to the shares so held, and the shares transferred each year by them during their terms of office shall not exceed 25% of their total shares of the same type in the Company; the shares of the Company held by them shall not be transferred within one year after the Company’s stocks are [REDACTED]. The aforesaid persons shall not transfer the shares of the Company held by them for the period of six months after they leave the Company.

When any shareholder, holding more than 5% of the company’s shares, of the Company or any director, supervisor, senior management of the company disposes of his/her/its shares or other securities with an equity nature in the company within six months of purchase, or purchases shares in the Company again within six months after disposal, the proceeds derived therefrom shall be retained for the benefit of the company and be revoked by the Board of Directors of the Company. However, the disposals by brokerage companies holding more than 5% of the shares in the Company due to the fact that their underwritten shares remain unsubscribed and other circumstances stipulated by the CSRC shall not be subject to the restriction.

The shares or other securities with an equity nature held by any director, supervisor, senior management and natural person shareholder referred to in the preceding paragraph shall include the shares or other securities with an equity nature held by their spouses, parents and children, and those held through others’ accounts.

SHAREHOLDERS AND SHAREHOLDERS’ GENERAL MEETINGS**Shareholders**

The Company shall maintain a register of shareholders with the evidences provided by the securities registration institution, and the register of shareholders shall be sufficient evidence of the shareholders’ shareholdings in the Company. A shareholder shall enjoy rights and assume obligations according to the class of shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations.

The issuance or transfer of all the overseas-[REDACTED] foreign-invested shares shall be recorded on the register of shareholders for holders of overseas-[REDACTED] foreign-invested shares deposited at the place of [REDACTED] in accordance with the Articles of Association.

The shareholders of the Company shall have the following rights:

- (I) to receive dividends and profit distributions in any other form in proportion to the shares they hold;

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

- (II) to lawfully require, convene, preside over or attend general meetings either in person or by proxy and exercise the corresponding voting right;
- (III) to supervise, manage, make recommendations or make inquiries about the operations of the Company;
- (IV) to transfer, bestow or pledge shares held by them in accordance with laws, relevant requirements of the securities regulatory authorities of the place where the Company's shares are [REDACTED] and provisions of the Articles of Association;
- (V) to inspect the Articles of Association, register of members, counterfoil of company debentures, minutes of shareholders' general meetings, resolutions of meetings of the Board of Directors, resolutions of meetings of the Board of Supervisors and financial and accounting reports;
- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;
- (VII) to require the Company to buy their shares in the event of their objection to resolutions of the general meeting concerning merger or division of the Company;
- (VIII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules or the Articles of Association.

If any shareholder proposes to inspect the relevant information mentioned in the preceding article or asks for information, the said shareholder shall provide the Company with written documents bearing evidence of the class and number of shares held by the said shareholder, and the Company will provide the information as required by the said shareholder upon verification of the said shareholder's identity.

If any resolution of the general meeting or the Board of Directors of the Company violates the laws or administrative regulations, the shareholders shall have the right to request the people's court to invalidate the resolution.

If the convening procedure or voting method of the general meetings or Board of Directors meetings violates the laws, administrative regulations or the Articles of Association or the contents of a resolution run counter to the Articles of Association, the shareholders shall have the right to request the people's court to cancel such resolution within sixty days after passing the resolution.

Where the Company incurs losses as a result of violation by directors, supervisors and members of the senior management of laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, the shareholders individually or in aggregate holding 1% or more of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the Board of Supervisors to initiate proceedings to the People's Court; where the Company incurs losses as a result of violation by the

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

Board of Supervisors of any provisions of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, such shareholders may make a request in writing to the Board of Directors to initiate proceedings to the People’s Court.

In the event that the Board of Supervisors or the Board of Directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company’s interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company initiate proceedings to the People’s Court directly in their own names.

Where the Company incurs losses as a result of infringement upon the legitimate rights and interests of the Company by any other persons, the shareholders stated in the preceding paragraph may initiate proceedings to the People’s Court pursuant to the provisions of the first two paragraphs.

Shareholders may initiate proceedings to the People’s Court in the event that a director or a senior management officer has violated laws, administrative regulations or the Articles of Association, damaging the interests of shareholders.

The shareholders of the Company shall have the following obligations:

- (I) to observe laws, administrative regulations and the Articles of Association;
- (II) to pay capital contribution as per the shares subscribed for and the method of subscription;
- (III) not to withdraw shares unless in the circumstances stipulated by laws and regulations;
- (IV) not to abuse shareholder’s right to harm the interests of the Company or other shareholders; not to abuse the Company’s position as an independent legal person or shareholder’s limited liability protection to harm the interests of the creditors of the Company;
- (V) to fulfil other obligations stipulated by laws, administrative regulations and the Articles of Association.

If any shareholder of the Company abuses his/her shareholder’s right, thereby causing any loss to the Company or other shareholders, the said shareholder shall be liable for compensation according to law.

If any shareholder of the Company abuses the Company’s position as an independent legal person or shareholder’s limited liability protection for the purpose of evading repayment of debts, thereby seriously damaging the interests of the creditors of the Company, the said shareholder shall bear joint and several liabilities for the Company’s debts.

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

If any shareholder holding more than 5% voting shares of the Company pledges the said voting shares, the said shareholder shall submit a written report to the Company on the date on which the said pledge is executed.

The controlling shareholder(s), de facto controller(s), director(s), supervisor(s) and senior management(s) of the Company shall not use the connected relations to the detriment of the interests of the Company; otherwise, they shall be liable for compensation for any loss incurred to the Company.

The controlling shareholder(s) and de facto controller(s) of the Company shall perform fiduciary duty to the Company and general public shareholders thereof. The controlling shareholder(s) shall exercise capital contributors' rights in strict accordance with laws, shall not damage the legitimate rights and interests of the Company and general public shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation, loan and guarantee and shall not abuse their controlling status to damage the interests of the Company and general public shareholders.

Except the obligations required in laws, administrative regulations or listing rules of the stock exchange in the place where the stocks of the Company are [REDACTED], when the controlling shareholder of the Company exercises its power of shareholder, it shall not make any decision detrimental to the interests of all or some of shareholders on the following issues in order to exercise its voting right:

- (I) to relieve a director or supervisor of his duty to act honestly in the best interests of the Company;
- (II) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of other person(s)), in any manner, of the Company's assets, including (without limitation) any opportunity beneficial to the Company;
- (III) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of other person(s)) of the individual rights of other shareholders, including (without limitation) rights to distributions and voting rights save for a restructuring of the Company submitted to the general meeting for approval in accordance with the Articles of Association.

The General Meeting

The general meeting is the organ of authority of the Company and shall exercise the following functions and powers:

- (I) to decide on the Company's operational policies and investment plans;
- (II) to elect or replace the directors, supervisors who are not representatives of the employees and decide on matters relating to the remuneration of directors and supervisors;
- (III) to consider and approve reports of the Board of Directors;

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

- (IV) to consider and approve reports of the Board of Supervisors;
- (V) to consider and approve the Company’s annual financial budget and financial accounts;
- (VI) to consider and approve the Company’s proposals for profit distribution and for recovery of losses;
- (VII) to decide on any increase or reduction in the Company’s registered capital;
- (VIII) to decide on the issue of bonds by the Company;
- (IX) to decide on issues such as merger, division, dissolution, liquidation or change of the form of the Company;
- (X) to amend the Articles of Association of the Company;
- (XI) to resolve on the Company’s appointment, dismissal or non-renewal of accounting firms, as well as on matters of remuneration of the accounting firms;
- (XII) to consider and approve the guarantees in accordance with the Articles of Association;
- (XIII) to consider and approve the Company’s purchase or disposal of major assets within one year with the aggregate transaction amount exceeding 30% of the latest audited total assets of the Company;
- (XIV) to consider and approve major transactions and connected transactions required to be considered and approved by the shareholders’ general meeting pursuant to laws, administrative regulations, the Listing Rules of the Hong Kong Stock Exchange and the Articles of Association;
- (XV) to consider and approve the change of [REDACTED];
- (XVI) to consider and approve share incentive schemes and employee share ownership scheme;
- (XVII) to consider other matters required to be resolved at the general meeting in accordance with laws, administrative regulations, departmental rules, normative documents, relevant requirements of securities regulator of the places where the shares of the Company are [REDACTED] and the Articles of Association.

Subject to the laws, regulations and mandatory provisions of the listing rules of the [REDACTED] place, the general meeting may authorize or entrust the Board of Directors to handle the matters authorized or entrusted by it.

Save and except that the Company is in the crisis and so on in the peculiar circumstance, the Company shall not, without the approval of a general meeting by special resolution, enter into any contract with any person other than a director, supervisor, general manager or other officer of the Company whereby the responsibility for the management of the whole or a substantial part of the business of the Company is delegated to such person.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

General meetings are divided into annual general meetings and extraordinary general meetings. Annual general meetings shall be held once every year within six months after the end of previous financial year.

In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date upon which the circumstance occurs:

- (I) the number of directors falls short of the quorum stipulated in the Company Law or is less than two thirds of the number specified in the Articles of Association;
- (II) the outstanding losses of the company amounted to one-third of the company’s total paid-in share capital;;
- (III) upon a written request by shareholder(s) that individually or collectively holding 10% or more of the Company’s shares (actual numbers of shares shall be calculated as per the shareholdings of the requesting shareholders on the date when such a written request is made);
- (IV) the Board deems necessary;
- (V) the Board of Supervisors proposes to convene such meeting;
- (VI) when over one-half of all the independent non-executive directors of the Company agree to hold the meeting;
- (VII) other circumstances stipulated by laws, administrative regulations and the Articles of Association occur.

Proposal and Notice of Shareholders’ General Meeting

Whenever the Company convenes the Shareholders’ general meeting, the Board of Directors, the Board of Supervisors, as well as shareholders individually or jointly holding 3% or more of shares of the Company shall have the right to propose motions to the Company. The convener shall include in the agenda of the meeting the issues raised in the proposals that fall within the scope of responsibility of the general meeting.

Shareholders individually or jointly holding 3% or more of shares of the Company may bring forward provisional proposals and submit the same in writing to the convener ten days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting within two days of receiving the proposals to disclose particulars of the provisional proposals.

Except as provided in the preceding paragraph, the convener shall not amend the proposals set out in the notice of the shareholders’ general meeting or put up any new proposals after the issuance of the notice of the shareholders’ general meeting.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

When the Company convenes an annual general meeting, written notice of the meeting shall be given at least 21 days before the date of the meeting, and when the Company convenes an extraordinary general meeting, written notice of the meeting shall be given 15 days before the date of the meeting.

The period of the despatching of the notice shall exclude the date convening the meeting. Where relevant laws, regulations and the securities regulatory authorities of the jurisdiction where the shares of the Company are [REDACTED] stipulate otherwise, such provisions shall prevail.

Convening of Shareholders' General Meetings

A shareholders' general meeting shall be presided over by the chairman of the Board of Directors. If the chairman is unable or fails to discharge his/her duties, vice chairman of the Board of Directors shall preside over the meeting; if the vice chairman of the Board of Directors is unable or fails to discharge his/her duties, half or more of the directors shall designate a director to preside over the meeting.

If a shareholders' general meeting is convened by the Board of Supervisors, the chairman of the Board of Supervisors shall preside over the meeting. If the chairman of the Board of Supervisors is unable or fails to discharge his/her duties, half or more of the supervisors shall designate a supervisor to preside over the meeting.

If a shareholders' general meeting is convened by the shareholders themselves, the convener will nominate a representative to preside over the meeting.

When a shareholders' general meeting is convened, if the chairman of the meeting contravenes the Rules of Procedure, rendering the meeting impossible to proceed, with the consent from more than half of the attending shareholders with voting rights, one person may be nominated at the shareholders' general meeting to serve as the chairman and the meeting may proceed. Where the shareholders fail to elect a chairman for any reasons, the shareholder (including his proxy) present in person or by proxy who holds the largest number of shares carrying the right to vote thereat shall be the chairman of the meeting.

Voting and Resolutions of Shareholders' General Meetings

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

Ordinary resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance (including proxies) holding at least half of the voting rights.

Special resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance (including proxies) holding at least two-thirds of the voting rights.

The following matters shall be adopted by ordinary resolution in the general meeting:

- (I) the work reports of the Board of Directors and the Board of Supervisors;

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

- (II) the profit distribution plans and plans for making up losses drafted by the Board of Directors;
- (III) the appointment and dismissal and remuneration of the members of the Board of Directors and the Board of Supervisors and the method of payment of the remuneration;
- (IV) annual budget programme, final accounts programme of the Company;
- (V) the annual report of the Company;
- (VI) matters other than those requiring the approval by way of special resolutions in accordance with the laws, administrative regulations, the listing rules of the stock exchange(s) where the Company’s shares are [REDACTED] or the Articles of Association.

The following matters shall be adopted by special resolution at the shareholders’ general meeting:

- (I) the increase or reduction of the registered capital by the Company;
- (II) the division, spin-off, merger, dissolution, liquidation of the Company;
- (III) the amendment of these Articles of Association of the Company;
- (IV) the Company’s purchase or disposal of material assets within one year or the amount of guarantee individually or aggregately exceeding 30% of the latest audited total assets of the Company;
- (V) equity incentive plans;
- (VI) repurchase of shares of the Company;
- (VII) other matters required by laws, administrative regulations, the listing rules of stock exchanges on which the Company’s shares are [REDACTED] or these Articles of Association, or resolved by the shareholders at a shareholders’ general meeting, by an ordinary resolution, to be of a nature that may have a material impact on the Company and should be adopted by special resolution.

When a shareholder (or a proxy) exercises his or her voting rights based on the number of voting shares which he or she represents, each share shall entitle him or her to one vote.

No voting rights shall attach to the Company’s shares held by the Company, and such shares shall not be counted among the total number of voting shares present at a general meeting.

Where any shareholder is, under applicable laws and regulations and the listing rules of the stock exchange where the Company’s shares are [REDACTED], required to abstain from voting on any particular matter being considered or restricted to voting only for or only against any particular matter being considered, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

DIRECTORS AND BOARD OF DIRECTORS**Directors**

The directors shall be elected or replaced by the general meeting, and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. The directors shall have a term of three years and may be re-elected at the expiration of the term of office.

The term of office of a director shall be calculated from the date when he takes office, until expiration of the term of office of the Board of the session. In case of failure to timely elect a director upon expiration of the director’s term of office, the existing directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and these Articles of Association until the re-elected directors assume their office.

Directors can be concurrently served by managers or other senior managers. However, the total number of directors who concurrently hold the positions of general manager or other senior management personnel and directors held by employee representatives shall not exceed one-half of the total number of directors of the company.

A director may resign before the expiry of his/her term of office. The resigning director shall submit to the Board of Directors a written resignation. Further details shall be disclosed by the Board of Directors within two days. In case that the number of directors falls below the quorum as a result of the resignation of a director, the existing directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected Directors assume their office.

Independent Non-Executive Directors

The Company shall establish an independent non-executive director system. The term “independent non-executive director of the Company” means a director who does not hold any position in the Company other than director and who has no relationship with the Company or its substantial shareholder(s) (only provided under this Article that substantial shareholders are those shareholders individually or jointly holding more than 5% of total number of the Company’s shares with voting rights) that could hinder his or her making independent and objective judgments, and who is in compliance with independence provisions of the listing rules in the place where the Company’s shares are [REDACTED]. Independent non-executive directors shall account for more than one third of the members of the Board of the Company, at least one of whom shall be a financial or accounting professional and a person who is ordinarily resident in Hong Kong.

The term of office for independent non-executive directors shall be three years, and eligible to offer himself for re-election, but shall not exceed nine years, unless otherwise provided by relevant laws, regulations and the listing rules of the stock exchange where the Company’s shares are [REDACTED].

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

If an independent non-executive director fails to meet the conditions of independence or other circumstance arises which makes it inappropriate for him or her to perform his or her duties and responsibilities as an independent non-executive director, thereby causing the failure of the Company to meet the requirements of these Articles of Association concerning the number of independent non-executive directors, the Company shall make up the number of independent non-executive directors in accordance with regulations.

Board

The Company shall have a Board which shall be accountable to the general meetings. The Board shall consist of seven to nine directors, including not less than three independent non-executive directors, which should represent at least a third of the Board.

The Board shall be accountable to the general meeting and perform the following duties and powers:

- (I) to convene general meetings and report to general meetings;
- (II) to implement resolutions of general meetings;
- (III) to formulate medium and long-term strategic plans for the Company’s development, and to monitor and adjust their implementation;
- (IV) to determine the Company’s business objectives, business plans and investment and financing programs;
- (V) to prepare the annual financial budgets and final accounting plans of the Company;
- (VI) to prepare the profit distribution plan and loss makeup plan of the Company;
- (VII) to formulate proposals for the Company in respect of increase or reduction of registered capital, issue of bonds or other securities and the [REDACTED] thereof;
- (VIII) to formulate plans for material acquisitions, purchase of shares of the Company, merger, division, dissolution or transformation of the Company;
- (IX) to determine, within the authority granted by the general meeting, such matters as external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions and external donations, etc.;
- (X) to determine the establishment and staffing of the corresponding working organizations of the Board of Directors and the internal management organizations of the Company;

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

- (XI) to decide on appointing or dismissing general manager, secretary to the Board and other senior management as well as their remunerations, rewards and penalties; to decide on appointing or dismissing senior management including vice general manager(s) and secretary to the Board of Directors and Chief Financial Officer of the Company in accordance with the nominations by general manager, and to decide on their remunerations and rewards and punishments;
- (XII) to set up the basic management system of the Company;
- (XIII) to formulate the proposals for any amendment to the Articles of Association;
- (XIV) to manage information disclosure of the Company;
- (XV) to propose to the general meeting the appointment or replacement of the accounting firms which provide audit services to the Company;
- (XVI) to listen to work reports of the general manager and review his work;
- (XVII) to authorise the chairman of the Board of Directors and general manager of the Company to decide on major matters of the Company within the scope of the authority delegated to them;
- (XVIII) to exercise other functions and powers conferred by laws, regulations and listing rules of the stock exchange where the Company's shares are [REDACTED], shareholders' general meetings and the Articles of Association.

The Board of Directors' resolutions in respect of all other matters may be passed by the affirmative vote of a simple majority of all the Directors.

The Board of Directors shall make explanation to the shareholders' general meeting in respect of auditors' report with a non-standard opinion issued by the certified public accountants regarding the financial statements of the Company.

The rules of procedures shall be formulated by the Board of Directors and approved by the general meeting.

The Board of Directors shall have one chairman and, as appropriate, a vice chairman, who shall be elected by the votes of more than one half of the members of the Board of Directors. The chairman and vice chairman of the Board of Directors shall be elected or removed by more than one half of all directors, and shall hold office for a term of three years, who is then eligible to offer himself or herself for re-election and re-appointment. The chairman of the Board of Directors shall exercise the following functions and powers:

- (I) to preside over general meetings and to convene and preside over the board meetings;
- (II) to monitor and check the general meetings and the implementation of the resolutions of the Board of Directors;

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

(III) to exercise other functions and powers conferred by the Board of Directors.

Meetings of the Board of Directors are divided into regular meetings and interim meetings. The Board of Directors shall hold at least two regular meetings each year. Meetings shall be convened by the Chairman of the Board.

The notice of board meeting shall be served to all directors, supervisors, the General Manager and the Secretary to the Board by means of hand, mail or facsimile 10 days before the date of the meeting (for regular meetings) or by means of written notice five days before the date of the meeting (for extraordinary meetings). If an extraordinary meeting of the Board of Directors needs to be held quickly due to urgent circumstances, a meeting notice may be given at any time by telephone or other oral method, provided that the convener gives an explanation thereof at the meeting and the same is entered into the meeting minutes.

The Board meetings shall only be held when more than half of the directors attend the meeting. Resolutions adopted at the Board meeting must be approved by more than half of the directors.

The Board meetings shall be attended by the directors in person. If a director is unable to attend a meeting in person for any reason, such director may appoint, in writing, another director to attend the meeting on his/her behalf. The authority delegated shall be specified in the power of attorney. A director who attends the meeting on behalf of another director shall exercise the rights of the director within the delegated authority. If a director fails to attend a Board meeting in person, and has not appointed a representative to attend the meeting on his/her behalf, the director shall be deemed to have waived his/her rights to vote at the meeting.

Supervisors may attend meetings of the Board of Directors in a non-voting capacity. The General Manager and the Board of Directors, if they do not concurrently serve as directors, shall attend meetings of the Board of Directors in a non-voting capacity. When he or she deems it necessary, the meeting convener may notify other relevant persons to attend a meeting of the Board of Directors in a non-voting capacity.

Votes at on-site meetings of the Board of Directors (including meetings held by video conference) shall be held by disclosed ballot. If a director attends an on-site meeting by telephone conference or by way of other such communication equipment, so long as the directors attending the meeting in person can clearly hear what he/she says and communicate with him/her, all the directors in attendance shall be deemed to have attended the meeting in person. Subject to ensuring the full expression by the directors of their opinions at a meeting of the Board of Directors, votings and resolutions may be adopted by means of correspondence which shall be signed by the directors in attendance, but a regular meeting of the Board of Directors, a meeting at which a substantial shareholder (for the purpose of this section only, substantial shareholders refer to shareholders who individually or collectively hold at least 10% of total shares with voting rights of the Company) or a director has a conflict of interest in a matter to be considered which the Board of Directors has determined to be material and a meeting held to discuss the appointment and dismissal of the

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

secretary to the Board of the Company shall not be held by means of correspondence. A deadline shall be set for voting by means of correspondence, and if a director fails to express his/her opinion within the specified deadline, he/she shall be deemed to abstain.

When a director and the enterprises involved in the resolutions of the board meeting have connected relations, such director shall not exercise his/her voting rights on such proposal nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if it is quorate by more than half of the unconnected directors. The resolutions of the board meeting shall be passed by more than half of unconnected directors. If the number of unconnected directors attending the board meeting is less than three, such matter shall be put forward to the general meeting for consideration.

The Board of Directors shall keep minutes of resolutions on matters discussed at meetings. The minutes shall be signed by the directors and the recorder present at the meeting. Custody period of minutes shall be ten years. The directors shall be liable for the resolutions of the Board of Directors. If a resolution of the Board of Directors violates the laws, regulations or these Articles of Association and results in the Company sustaining serious losses, the directors participating in the resolution shall be liable to compensate the Company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection is recorded in the minutes of the meeting, such director may be released from such liability.

Special Committees under the Board

The Board of Directors shall set up special committees, namely, the strategy committee, the nomination committee, the audit committee, the remuneration committee and the assessment committee and other special committees that the Board deems necessary to establish. The special committees are fully composed of Directors, and in the audit committee, the nomination committee, the remuneration committee and the assessment committee, the independent Directors shall be in the majority and shall act as the convener. The convener of the audit committee shall be an accounting professional. The Board is responsible for formulating working rules, to standardize the operation of the special committees.

Secretary to the Board

The Company shall have a Secretary to the Board, who shall be engaged and dismissed by the Board of Directors. The Secretary to the Board shall be a member of the senior management members of the Company and be accountable to the Company and the Board of Directors

The Secretary to the Board shall be a natural person with the necessary professional knowledge and experience. He or she shall be appointed by the Board of Directors. His or her main duties shall be as set forth below:

- (I) to prepare and deliver reports and documents issued by the Board of Directors and general meetings as required by competent authorities;
- (II) to organize board meetings and general meetings, be responsible for recording of the meetings and keep meeting documents and records;

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

- (III) to handle information disclosure of the Company;
- (IV) to ensure that individuals who are entitled to obtain relevant records and documents may access to them in time;
- (V) to perform other duties as stipulated in laws, regulations and these Articles of Association, and as required by security regulator of locality on which the Company’s shares are [REDACTED].

General Manager and Other Senior Management Members

The Company shall have one general manager, who shall be nominated by the chairman of the Board of Directors and be appointed and dismissed by the Board of Directors. The Company shall have a number of deputy general managers, one secretary to the Board of Directors and one chief financial controller.

Each term of office of the general manager and the deputy general manager shall be three years and may be extended if he/she is reappointed.

Persons assuming administrative offices other than director and supervisor in the controlling shareholder of the Company shall not serve as senior officers of the Company.

The general manager shall be accountable to the Board of Directors and shall have the following responsibilities:

- (I) to manage the production and operation of the Company, to implement the resolutions of the Board of Directors, and to report to the Board of Directors;
- (II) to determine the annual business plan and investment plan of the Company;
- (III) to determine the internal management organization of the Company;
- (IV) determine the general management system of the Company;
- (V) to determine the rules and regulations of the Company;
- (VI) to propose the Board of Directors to appoint or dismiss vice general manager, chief financial officer, secretary of the Board and other senior management of the Company;
- (VII) to responsible for handling the major emergencies of the Company;
- (VIII) to decide and handle external affairs on behalf of the Company within the scope of the Board’s authorisation;
- (IX) to research and propose the Company’s strategic plan and medium- and long-term development plan;
- (X) to draft the plan of the Company’s annual operation budgets, investment budgets and finance budgets;

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

(XI) other responsibilities conferred by these Articles of Association or the Board of Directors.

The general manager of the Company may attend the board meetings, but only the managing director has a voting right at the board meeting.

The general manager shall formulate the working rules of the general manager for the Board of Directors' approval before the implementation of such rules.

Board of Supervisors

Directors, the general manager and senior management members shall not serve concurrently as supervisors.

The term of office of a supervisor shall be three years. A supervisor may serve consecutive terms if re-elected.

The Company shall have a Board of Supervisors. The Board of Supervisors consists of three supervisors, including one employee representative Supervisor, who shall be elected democratically at employee representatives' meetings of the Company or in other forms. The Board of Supervisors shall have one chairman. The chairman of the Board of Supervisors shall be elected by the votes of more than one half of the members of the Board of Supervisors.

The Board of Supervisors shall be accountable to the general meeting and shall exercise the following functions and powers according to law:

- (I) reviewing the regular reports of the Company prepared by the Board of Directors and submit its written opinions thereon;
- (II) examining the financial matters of the Company;
- (III) supervising the performance of the directors and senior management and proposing the removal of directors or senior management who violate the laws, administrative regulations or these Articles of Association or resolutions of shareholders' general meeting;
- (IV) demanding remedial action of a director or senior management member if the act of such director, the general manager and senior management member is detrimental to the interest of the Company;
- (V) proposing the holding of extraordinary general meetings and, in the event that the Board of Directors fails to convene and preside over a general meeting in accordance with the Company Law, to convene and preside over such a meeting in accordance with the law;
- (VI) proposing motions to shareholders' general meetings;
- (VII) suing directors or senior management members in accordance with the Article 151 of the Company Law;

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

(VIII) conducting an investigation and, if necessary, engaging professional organizations, such as accounting firms and law firms, to assist if irregularities in the operation of the Company is found;

All reasonable expenses incurred in respect of the employment of professionals such as lawyers, registered accountants and practising auditors as required by the Board of Supervisors in the discharge of its duties shall be borne by the Company.

At least one meeting of the Board of Supervisors shall be held every six months, the chairman of the Board of Supervisors shall convene and preside over meetings of the Board of Supervisors. If the chairman is unable or fails to perform his/her duties, a supervisor selected by over half of the supervisors shall convene and preside over the meeting.

The Board of Supervisors shall formulate the rules of procedure for the Board of Supervisors meetings regarding the procedures for discussion and voting, so as to ensure that the Board of Supervisors can make reasonable decisions efficiently.

Votes at meetings of the Board of Supervisors shall be held by disclosed ballot and each supervisor shall have one vote. The resolution of the chairman of the Board of Supervisors shall be subject to the approval of over half of its members by voting.

The Board of Supervisors shall maintain minutes of the meetings so as to record the decisions on the matters considered. Participating supervisors shall initiate the minutes for confirmation. Any supervisor who has different opinions on the meeting minutes may make written explanation when signing the minutes.

The minutes of meetings of the Board of Supervisors, together with the meeting notice, meeting materials, meeting sign-in register, the instruments of appointment of supervisor proxies, the sound recording of the meeting and the vote ballots shall serve as the Company's files and be kept by the office of the Board of Supervisors for a period of not less than ten years

FINANCIAL AND ACCOUNTING SYSTEM AND PROFIT DISTRIBUTION

Our Company shall establish its financial and accounting system and internal audit system in accordance with the laws, administrative regulations, and the rules stipulated by relevant authorities.

The Company shall prepare financial reports at the end of each fiscal year. Such reports shall be audited by an accounting firm in accordance with the law.

The Company shall publish 2 financial reports each fiscal year, namely an interim financial report within 60 days after the end of the first six months of the fiscal year and an annual financial report within 120 days after the end of the fiscal year.

The Board of the Company shall place before the shareholders at every annual general meeting such financial reports as required by any laws to be prepared by the Company.

APPENDIX VI

SUMMARY OF ARTICLES OF ASSOCIATION

The financial reports of the Company shall be made available for inspection by shareholders twenty-one days prior to an annual general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this chapter.

The Company shall deliver the reports mentioned in the preceding paragraph to each holder of overseas [REDACTED] foreign shares by pre-paid mail at least twenty-one days before the convening of the annual general meeting. The address of the recipient shall be the registered address as shown on the register of members. Subject to the obligations imposed by laws, administrative regulations or required by the listing rules of the place on which the Company’s shares are [REDACTED], the notice of the meeting may also be given by way of public announcement (including publishing on the website of the Company).

The Company shall not maintain a separate accounts book except the one required by law. The assets of the Company shall not be deposited in any account opened under a personal name.

The Company shall, when distributing the post-tax profit of a fiscal year, extract 10% of the profit to list it in the statutory reserves of the Company. The Company may not further extract the statutory reserves when its accumulative amount represents 50% or more of the registered capital of the Company.

When the statutory reserves of the Company falls short to offset the loss of prior years, the Company shall use the profit earned during the year to offset the loss before extracting the statutory reserves according to the previous paragraph.

After extracting the statutory reserves out of the post-tax profit, the Company may, subject to the resolution of the general meeting, extract the discretionary reserve out of the post-tax profit.

As for the remaining after-tax profits after the Company has covered loss and has extracted statutory reserves, shareholders shall be allocated pursuant to the ratio of the shareholding of the shareholders, except for those allocations not pursuant to the ratio of the shareholding as provided by the Articles of Association.

If the shareholders’ general meeting breaches the preceding paragraph by distributing the profit to the shareholders before the loss recovery and accrual of the statutory reserves, the shareholders shall return to the Company the profit distributed in violation of the law.

The company shares held by the Company shall not participate in the profit distribution.

The reserves of the Company are used to offset the losses of the Company, expand business scale or bolster registered capital. Nevertheless, the capital reserves will not be used to cover the losses of the Company.

When the statutory reserve is converted into registered capital, the remaining amount of such reserve shall not be less than 25% of the registered capital of the Company before the conversion.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

The Company shall appoint a receiving agent for holders of overseas-[REDACTED] foreign shares. The receiving agent shall receive on behalf of such shareholders any dividends or other amounts payable by the Company to them in respect of the overseas-[REDACTED] foreign shares, and such payment shall be kept by the receiving agent on such shareholders’ behalf for any payment to them.

The receiving agents appointed by the Company shall meet the requirements of the laws of the place where the Company’s shares are [REDACTED] or the relevant regulations of the stock exchange.

The receiving agents appointed by the Company for holders of foreign shares [REDACTED] on the SEHK shall be a trust company registered under the Trustee Ordinance of Hong Kong.

After the general meeting of the Company makes a resolution on profit distribution plan, the Board of the Company shall complete distribution of dividend (or share) within two months after such general meeting.

The cash dividends and other amounts paid by the Company to its shareholders of Domestic Shares shall be distributed in form of Renminbi. The cash dividends and other amounts paid by the Company to holders of overseas-[REDACTED] foreign shares shall be denominated and declared in Renminbi and paid in foreign currency. The foreign currency for the cash dividends and other payments by the Company to holders of overseas [REDACTED] foreign shares and other holders of foreign shares shall be handled in accordance with state regulations on foreign exchange control.

When distributing dividends to shareholders, the Company shall deduct and withhold the tax payable on the dividend income on behalf of individual shareholders in accordance with the tax laws of the PRC.

The Company shall have an internal audit system, arrange special auditors, and conduct the internal audit supervision of the financial incomes and expenditures and economic activities of the Company.

The internal audit system of the Company and the responsibilities of auditors shall be implemented upon the approval of the Board. The principal of the audit department shall be responsible and report to the Board.

Engagement of Accounting Firms

The Company shall engage an accounting firm which complies with the requirements of the Securities Law to audit the financial statements, net assets verification and other relevant consultancy services. The term of office of an accounting firm appointed by the Company shall be one year subject to renewal.

The engagement of an accounting firm by the Company shall be decided by the general meeting, and the Board shall not engage an accounting firm before any resolution made by the general meeting.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

The Company ensures that it will provide true and complete accounting vouchers, accounting books, financial and accounting report and other accounting materials to the engaged accounting firm, without any refusal, concealment or misrepresentation.

The auditing fee of an accounting firm shall be determined by the general meeting.

The Company’s appointment, removal and non-reappointment of an accounting firm shall be resolved by the general meeting.

Prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment. Such accounting firm shall be entitled to make representations at the relevant general meeting. Where the accounting firm resigns its post, it shall make clear to the general meeting whether there is any impropriety on the part of the Company.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION OF THE COMPANY**Merger, Division, Capital Increase and Capital Reduction**

The merger of the Company may take the form of either merger by absorption or a new consolidation. Under a merger by absorption, a company absorbs another company and the absorbed company is dissolved. Under a merger by new consolidation, two or more companies merge into a newly established company and all parties to the merger are dissolved.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days from the date of the Company’s resolution on merger and shall make an announcement in the newspaper designated by the CSRC, on its website and on the website of the stock exchange within thirty days from the date of the Company’s resolution on merger. Creditors may, within thirty days after receipt of such notice from the Company, or within forty-five days from the date of the announcement for those who do not receive such notice, to demand that the Company repay their debts to that creditor or provide a corresponding guarantee for such debts.

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

If the Company is divided, its property shall be divided accordingly. When the Company is divided, it shall prepare a balance sheet and a property list. Within 10 days from the date of adoption of the resolution on the division, the Company shall notify its creditors and within 30 days it shall make an announcement in the newspapers designated by the CSRC, on its website and on the website of the stock exchange.

The surviving companies shall be jointly liable for the pre-division debts of the Company, unless provided otherwise in a written agreement on debt repayment reached between the Company and a creditor prior to the division.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

The Company shall prepare a balance sheet and an inventory of property when it needs to reduce its registered capital.

The Company shall notify the creditors within 10 days from the date of making the resolution to reduce the registered capital, and make an announcement within 30 days. The creditors may require the Company to repay debts or to provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice.

The registered capital of the Company after the capital reduction shall not be lower than the statutory minimum.

Changes in registered particulars arising from a merger or division of the Company shall be registered with the companies registration authority according to the law. If the Company is dissolved, it shall be deregistered according to the law. If a new company is established, such establishment shall be registered according to the law. Increase or decrease of the registered capital of the Company shall be registered with the companies registration authority according to the law.

Dissolution and Liquidation

The Company may be dissolved for the following reasons:

- (I) the term of operation stipulated in the Articles of Association has expired or circumstances for dissolution specified in the Articles of Association arises;
- (II) a resolution for dissolution is passed at a general meeting;
- (III) merger or division of the Company entails dissolution;
- (IV) the business license is revoked or the Company is ordered to close down or be deregistered according to the law;
- (V) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing more than 10% of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company.

In the circumstance set out in item (I) above, the Company may continue to subsist by amending the Articles of Association.

Amendments to the Articles of Association pursuant to the preceding paragraph shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders attending the general meeting.

If the Company is dissolved pursuant to items (I), (II), (IV) and (V) as mentioned above, it shall establish a liquidation committee within fifteen days after the circumstance for dissolution arises. The liquidation committee shall consist of members determined by the directors or the

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

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.

The liquidation committee shall notify creditors within 10 days after its establishment and within 60 days make a public announcement in a newspaper. The creditors shall declare their rights to the liquidation committee within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice. When declaring the claims, the creditors shall explain matters relating to their rights and provide relevant evidential documents. The liquidation committee shall register the creditor's rights.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

The liquidation committee shall exercise the following powers during the liquidation period:

- (I) to sort out the assets of the Company and prepare the balance sheet and an inventory of property;
- (II) to inform creditors by notice or announcement;
- (III) to deal with the outstanding affairs of the Company in relation to liquidation;
- (IV) to pay off outstanding taxes as well as taxes arising in the course of liquidation;
- (V) to settle claims and debts;
- (VI) to dispose of the remaining assets of the Company after repayment of debts;
- (VII) to represent the Company in civil proceedings.

After the liquidation committee has sorted out the assets of the Company and prepared a balance sheet and an inventory of property, it shall formulate a liquidation plan and submit the same to the general meeting or the people's court for confirmation.

The Company shall, according to the proportion of the shares held by the shareholders, distribute the properties of the Company remaining after payment of the liquidation expenses, employees' salaries, social insurance expenses and statutory compensations, outstanding taxes, and the Company's debts.

The Company shall subsist in the course of liquidation but shall not conduct any business operations unrelated to liquidation. Before liquidation as specified in the preceding paragraphs, the properties of the Company shall not be distributed to shareholders.

Upon liquidation of the Company's properties and the preparation of the balance sheet and inventory of assets, if the liquidation committee becomes aware that the Company does not have sufficient assets to meet its liabilities, it must apply to the people's court for a declaration for

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

bankruptcy according to laws. After the people’s court has made a declaration of bankruptcy in respect of the Company, the liquidation committee shall hand over the affairs of the liquidation to the people’s court.

Upon completion of liquidation of the Company, the liquidation committee shall prepare a liquidation report and a statement of the receipts and payments and the financial accounts for the liquidation period. After verification of the Chinese certified public accountants, it shall submit the same to the general meeting or the people’s court for confirmation, and shall, within 30 days after obtaining confirmation from the general meeting or the people’s court, submit the aforesaid documents to the companies registration authority, and apply to cancel the registration of the Company and announce the termination of the Company.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company may amend its Articles of Association in accordance with the laws, administrative regulations and the Articles of Association.

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

- (I) after amendments are made to the Company Law, the Listing Rules of the Hong Kong Stock Exchange or other relevant laws and administrative regulations, the Articles of Association are contrary to the said amendments;
- (II) the conditions of the Company have changed and are not consistent with the matters recorded in the Articles of Association;
- (III) the general meeting has resolved to amend the Articles of Association.

Except as otherwise provided in the Articles of Association, the Articles of Association shall be amended by the following procedure:

- (I) the Board adopts a resolution in accordance with the Articles of Association and drafts the amendments, or a shareholder puts forward a resolution to amend the Articles of Association;
- (II) the shareholders are notified of the amendments and a general meeting is convened to vote thereon;
- (III) the amendments submitted to the general meeting for a vote shall be adopted by a special resolution.

The Board shall revise the Articles of Association in accordance with the resolution of the shareholders’ general meeting regarding the revision of the Articles of Association and the approval opinion from the competent authorities.

APPENDIX VI**SUMMARY OF ARTICLES OF ASSOCIATION**

NOTICES AND ANNOUNCEMENTS

Notices (for the purposes of this chapter, the term “notice” includes company communications and other written materials) of the Company shall be given or provided by one or more of the following means:

- (I) by hand;
- (II) by mail;
- (III) by such electronic means as e-mail, fax, etc. or on information media;
- (IV) by way of a public announcement;
- (V) other manners as recognized by securities regulatory authorities at the place where the Company’s shares are [REDACTED] or as provided in the Articles of Association.

Unless otherwise specified in the Articles of Association, if a notice is issued by the Company to the holders of overseas-[REDACTED] foreign shares by way of announcement, the Company shall on the same day submit an electronic version of such announcement to the SEHK through the electronic publishing system of the SEHK for immediate release on the website of the SEHK in accordance with the requirements of the local listing rules. Such announcement shall also be published on the website of the Company at the same time. In addition, the notice shall be delivered to each of the registered addresses as set forth in the register of holders of overseas-[REDACTED] foreign shares by way of personal delivery or pre-paid mail so as to give the shareholders sufficient notice and time to exercise their rights or take any action in accordance with the terms of the notice.

Holders of the Company’s overseas-[REDACTED] foreign shares may elect in writing to receive corporate communication that the Company is required to deliver to shareholders either by electronic means or by post, and may also elect to receive either the Chinese or English version only, or both the Chinese and English versions. Such holders shall have the right to change their choices as to the manner of receiving and the language versions of the aforesaid information by giving a written notice to the Company in advance within a reasonable period in accordance with applicable procedures.

If the listing rules in the place of listing require the Company to send, mail, dispatch, issue, publish or otherwise provide relevant company documents in both English and Chinese versions, the Company may, to the extent permitted by laws and regulations and in accordance with applicable laws and regulations, (if a shareholder has so indicated) only send him or her the English versions or Chinese versions of documents if the Company has made appropriate arrangements to ascertain whether its shareholders wish to only receive English versions or Chinese versions of documents.