

NINGBO JOYSON ELECTRONIC CORP.

Articles of Association

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CHAPTER I GENERAL PROVISIONS

Article 1 To protect the legitimate rights and interests of the Company, its shareholders and creditors, and to regulate the organization and activities of the Company, the Articles of Association of Ningbo Joyson Electronic Corp. (hereinafter referred to as the “Articles of Association” or “the Articles”) are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Trial Administrative Measures for the Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) and other relevant regulations.

Article 2 Ningbo Joyson Electronic Corp. (hereinafter referred to as the “Company”) is a joint stock limited company established in accordance with the Company Law and other relevant laws and regulations.

The Company was established by way of a targeted offering, as approved by the Jilin Provincial Economic System Reform Commission and the Jilin Provincial State-owned Assets Administration Bureau in the document “Reply on the Establishment of Liaoyuan Deheng Co., Ltd.” (Ji Gai Lian Pi <1992> No. 18). It was registered with the Liaoyuan Administration for Industry and Commerce on August 7, 1992, and obtained its business license. The Company’s business license registration number is: 12515569-8.

In March 1996, the Company was regularized in accordance with the provisions of the State Council’s document “Notice of the State Council on the Regularization of Existing Limited Liability Companies and Joint Stock Limited Companies in Accordance with the Company Law of the People’s Republic of China” (Guo Fa <1995> No. 17), and completed the re-registration procedures with the Jilin Provincial Administration for Industry and Commerce in accordance with the laws.

In April 2012, the Company’s name was changed to Liaoyuan Joyson Electronic Corp. upon approval by the Liaoyuan Administration for Industry and Commerce. In 2014, the Company’s domicile was changed to No. 1266 Juxian Road, High-tech District, Ningbo, upon approval by the Ningbo Administration for Industry and Commerce, and its name was simultaneously changed to Ningbo Joyson Electronic Corp. In 2018, the Company’s domicile was changed to No. 99 Qingyi Road, High-tech District, Ningbo, upon approval by the Ningbo Administration for Industry and Commerce.

Article 3 On July 17, 1992, with the approval of the Jilin Provincial Economic System Reform Commission in the document “Reply on the Targeted Offering of Shares by Liaoyuan Deheng Co., Ltd.” (Ji Gai <1992> No. 40), the Company conducted a targeted offering of 65,000,000 shares. On September 27, 1993, with the approval of the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”), the Company issued an additional 25,000,000 RMB-denominated ordinary shares to the public, which were listed on the Shanghai Stock Exchange on December 6, 1993.

The Company's internal employee shares were fully listed for trading on July 7, 1995.

On October 13, 2001, with the approval of the CSRC, the Company issued 18.01 million (18,014,536) shares through a rights issue to all its shareholders, which were listed for trading on December 26, 2001.

On November 30, 2011, with the approval of the CSRC, the Company issued a total of 206,324,766 shares to Ningbo Joyson Investment Group Co., Ltd., Ningbo Science & Technology Park Antai Technology Co., Ltd., and Luo Jianqiang.

On November 27, 2012, with the approval of the CSRC, the Company issued 187,000,000 shares to Ningbo Joyson Investment Group Co., Ltd. and issued 57,096,342 shares through a private placement.

On July 30, 2015, with the approval of the CSRC, the Company issued 53,224,983 RMB-denominated ordinary shares (A shares) through a private placement.

On December 8, 2016, with the approval of the CSRC, the Company issued 259,919,200 RMB-denominated ordinary shares (A shares) through a private placement.

On July 29, 2019, the Company converted capital reserve into share capital by issuing 4 new shares for every 10 shares held by all shareholders, totaling 350,932,304 shares, which were listed for trading on July 30, 2019.

On December 20, 2019, the Company cancelled 62,958,239 repurchased shares.

On August 18, 2020, with the approval of the CSRC, the Company issued 130,821,559 RMB-denominated ordinary shares (A shares) through a private placement.

On May 26, 2023, with the registration approval of the CSRC, the Company issued 40,616,919 RMB-denominated ordinary shares (A shares) to specific investors.

On September 29, 2025, upon filing with the CSRC, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") on [•], issuing no more than [•] overseas-listed shares (hereinafter referred to as "H Share(s)") in Hong Kong, with the option to exercise an over-allotment option to issue no more than [•] additional H Shares.

Article 4 Registered Name of the Company:

Chinese full name: 寧波均勝電子股份有限公司

English full name: NINGBO JOYSON ELECTRONIC CORP.

Article 5 Domicile of the Company: No. 99 Qingyi Road, High-tech District, Ningbo.
Postal Code: 315040

Article 6 The registered capital of the Company is RMB[•].

Article 7 The Company is a joint stock limited company of perpetual existence.

Article 8 The Chairman of the Board of Directors is the legal representative of the Company.

Article 9 All assets of the Company are divided into equal shares. Shareholders shall be liable to the Company to the extent of the shares they hold, and the Company shall be liable for its debts with all of its assets.

Article 10 The Articles of Association, upon taking effect, shall become a legally binding document that governs the organization and activities of the Company, and the rights and obligations between the Company and its shareholders, and among the shareholders themselves. It is legally binding on the Company, its shareholders, directors, supervisors, President and other senior management personnel.

Pursuant to the Articles of Association, a shareholder may initiate legal proceedings against the Company; a shareholder may initiate legal proceedings against the Company's directors, supervisors, President and other senior management personnel; a shareholder may initiate legal proceedings against other shareholders; and the Company may initiate legal proceedings against its shareholders, directors, supervisors, President and other senior management personnel.

Article 11 For the purposes of the Articles of Association, "other senior management personnel" refers to the Secretary to the Board of Directors, Vice Presidents, and Chief Financial Officer of the Company.

CHAPTER II BUSINESS PURPOSE AND SCOPE OF THE COMPANY

Article 12 The business purpose of the Company is: to comply with national laws, administrative regulations and policies, to make full use of its capital, human and material resources, to engage in commodity production and business operations with the direct aim of making a profit, to accumulate capital for the Company, and to seek the maximum legitimate interests for the Company and its shareholders.

Article 13 Upon registration in accordance with the laws, the business scope of the Company is: design, manufacturing, and processing of electronic products, electronic components, automotive electronic devices (body electronic control systems), opto-mechatronics products, digital televisions, digital video cameras, digital video recorders, digital audio equipment, automotive accessories, key automotive components (engine intake superchargers), automotive interior and exterior trim parts, rubber, plastic and metal products, and automotive rearview mirrors; design, manufacturing, and processing of molds; sales of self-produced products; investment in manufacturing projects; and engagement in the import and export of goods and technologies.

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 14 The shares of the Company shall take the form of stock certificates. The Company's stock certificates shall be in registered form.

Article 15 The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights.

Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual subscribing to the shares shall pay the same price for each share.

Article 16 The shares issued by the Company shall be denominated in RMB. The A shares issued by the Company shall be centrally deposited with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company may, in accordance with the laws, securities regulatory rules and securities depository and clearing requirements of the place of listing, be principally deposited with a custodian company under Hong Kong Securities Clearing Company Limited, or may be held by shareholders in their own names.

Article 17 The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide any financial assistance in the form of gifts, advances, guarantees, indemnities or loans to persons who purchase or intend to purchase the Company's shares.

Article 18 The promoters and their methods and time of capital contribution at the time of the Company's establishment were as follows:

Promoter Name	Method of Capital Contribution	Time
Liaoyuan Chemical Fiber Factory	Physical assets and monetary funds	1992.6
Shanghai Second Textile Machinery Co., Ltd.	Monetary funds	1992.6
Jilin International Economic and Technical Cooperation Company	Monetary funds	1992.6
China Chemical Fiber Company	Monetary funds	1992.6

Article 19 Upon completion of the initial public offering of H Shares (assuming the over-allotment option is not exercised), the share capital structure of the Company on the date of its listing on the Hong Kong Stock Exchange shall be: [•] million ordinary shares, of which [•] million are A share ordinary shares and [•] million are H Share ordinary shares.

Section 2 Increase, Decrease and Repurchase of Shares

Article 20 In light of the Company's operational and developmental needs, the Company may increase its capital in accordance with the laws and administrative regulations and subject to respective resolutions of the shareholders' meeting, by any of the following methods:

- (I) a public offering of shares;
- (II) a private placement of shares;
- (III) allotment of bonus shares to existing shareholders;
- (IV) conversion of reserve funds to share capital;
- (V) other methods permitted by laws and administrative regulations and approved by the CSRC.

Article 21 The Company may reduce its registered capital in accordance with the provisions of the Articles of Association. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law, other relevant regulations, as well as the Articles of Association.

Article 22 Under the following circumstances, the Company may acquire its own shares in accordance with laws, administrative regulations, departmental rules and the Articles of Association:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies that hold shares in the Company;
- (III) to use the shares for employee shareholding schemes or as share incentives;
- (IV) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders' meeting on the merger or division of the Company;
- (V) to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;
- (VI) to safeguard corporate value and shareholders' equity as the Company deems necessary. Except for the circumstances mentioned above, the Company shall not acquire its own shares.

Article 23 The Company may acquire its own shares by one of the following methods, provided that it complies with the applicable securities regulatory rules of the place where its shares are listed:

- (I) by way of centralized bidding on a stock exchange;
- (II) by way of a tender offer;
- (III) by other methods permitted by laws, administrative regulations and the securities regulatory authorities of the place where the Company's shares are listed.

If the Company acquires its own shares for the reasons set out in items (III), (V) and (VI) of paragraph one of Article 22 of the Articles, such acquisition shall be conducted through open and centralized trading.

When the Company acquires its own shares, it shall perform its information disclosure obligations in accordance with the provisions of the Securities Law and the securities regulatory rules of the place where the Company's shares are listed.

Article 24 The acquisition of the Company's own shares for the reasons set out in items (I) and (II) of paragraph one of Article 22 of the Articles of Association shall be subject to a resolution of the shareholders' meeting. The acquisition of the Company's own shares for the reasons set out in items (III), (V) and (VI) of paragraph one of Article 22 of the Articles of Association may, in accordance with the provisions of the Articles and subject to compliance with the applicable securities regulatory rules of the place where the Company's shares are listed, be approved by a resolution of a Board meeting attended by more than two-thirds of the directors.

With respect to A shares, after the Company acquires its own shares pursuant to paragraph one of Article 22, shares acquired under item (I) shall be cancelled within 10 days from the date of acquisition; shares acquired under items (II) and (IV) shall be transferred or cancelled within 6 months; for shares acquired under items (III), (V) and (VI), the total number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.

With respect to H Shares, if there are other provisions in laws, regulations, and the securities regulatory authorities of the place where the Company's shares are listed regarding matters related to share repurchases, such provisions shall prevail.

Section 3 Transfer of Shares

Article 25 The shares of the Company may be transferred in accordance with the laws.

All transfers of H Shares shall be effected by an instrument of transfer in writing in the usual or common form or in any other form acceptable to the Board of Directors (including the standard transfer form or transfer sheet prescribed by the Hong Kong Stock Exchange from time to time); and such instrument of transfer may only be executed under hand or, if the transferor or transferee is a company, with the company's valid seal affixed. If the transferor or transferee is a recognized clearing house as defined in the relevant ordinances in force from time to time in Hong Kong (hereinafter referred to as a "Recognized Clearing House") or its nominee, the instrument of transfer may be signed under hand or in machine-imprinted form. All instruments of transfer shall be kept at the Company's legal address or at such other address as the Board of Directors may from time to time specify.

Article 26 The Company shall not accept its own shares as the subject matter of a pledge.

Article 27 The shares of the Company held by a promoter shall not be transferred within 1 year from the date of the establishment of the Company. The shares issued by the Company before public offering shall not be transferred within 1 year from the date on which the Company's shares are listed on the stock exchange.

Directors, supervisors and senior management of the Company shall report their shareholding in the Company and changes thereof to the Company, and during their tenure, the shares transferred each year shall not exceed 25% of the total Company shares held by them; the Company shares held by them shall not be transferred within 1 year from the date when the shares of the Company are listed and traded. Within half a year from departure from the Company, the aforesaid persons shall not transfer the Company shares held by them.

If the securities regulatory rules of the place where the Company's shares are listed have other provisions on the transfer restrictions of the Company's shares, such provisions shall prevail.

Article 28 If a director, supervisor, senior management personnel, or a shareholder holding 5% or more of the Company's shares (excluding a Recognized Clearing House or its nominee) sells the Company's shares held by them within 6 months of purchase, or repurchases them within 6 months of sale, any profit derived therefrom shall belong to the Company, and the Board of Directors of the Company shall recover such profit. However, a securities company that holds more than 5% of the shares due to the sale of shares remaining after underwriting, and in other circumstances stipulated by the CSRC, shall not be subject to the 6-month time limit for selling such shares. If the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

For the purpose of the preceding paragraph, the shares or other equity-like securities held by directors, supervisors, senior management personnel, and natural person shareholders shall include those held by their spouses, parents, and children, as well as those held through the accounts of others.

If the Board of Directors of the Company fails to act in accordance with paragraph one of this Article, the shareholders shall have the right to demand that the Board of Directors act within 30 days. If the Board of Directors of the Company fails to act within the said period, the shareholders shall have the right to institute legal proceedings directly in the people's court at the place of the Company's registration in their own name for the benefit of the Company.

If the Board of Directors of the Company fails to act in accordance with paragraph one, the directors responsible shall bear joint and several liability in accordance with the laws.

CHAPTER IV SHAREHOLDERS AND SHAREHOLDERS' MEETING

Section 1 Shareholders

Article 29 The Company shall, on the basis of the certificates provided by the securities registration authority, establish a register of members. The register of members is sufficient evidence of the shareholders' shareholding in the Company. The original register of members for H Shares listed in Hong Kong shall be kept in Hong Kong for inspection by shareholders, provided that the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. A shareholder shall enjoy relevant rights and assume relevant obligations in accordance with the class of shares he/she holds. Shareholders holding the same class of shares shall have the same rights and assume the same obligations.

Any shareholder registered on the H Share register of members or any person who requests to have his/her name registered on the H Share register of members may, if his/her shares are lost, apply to the Company for a replacement of the new shares for such shares. If an H Share shareholder loses his/her shares and applies for a replacement, the matter may be handled in accordance with the laws, stock exchange rules or other relevant regulations of the place where the original H Share register of members is kept.

Article 30 When the Company intends to convene a shareholders' meeting, distribute dividends, enter into liquidation and engage in other activities that require determination of shareholdings, the Board of Directors or the convenor of a meeting shall determine an equity record date, and the shareholders registered after the close of the equity record date shall be the shareholders entitled to the relevant rights and interests.

Article 31 Shareholders of the Company shall enjoy the following rights:

- (I) the right to dividends and other distributions in proportion to the number of shares held;
- (II) the right to apply legally for, convene, preside, attend or appoint proxies to attend shareholders' meetings and to exercise the corresponding voting right in accordance with the laws;
- (III) the right to supervise, present proposals or raise enquiries in respect of the Company's business operations;
- (IV) the right to transfer, give as a gift or pledge the shares it holds in accordance with the provisions of the laws, administrative regulations and the Articles of Association;
- (V) the right to inspect the Articles of Association, the register of members, corporate bond stubs of the Company, the minutes of shareholders' meetings, resolutions of the meetings of the Board of Directors, resolutions of the meetings of the Board of Supervisors, and financial and accounting reports;
- (VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;
- (VII) the right of shareholders who object to resolutions of merger or division of the Company made by the shareholders' meeting may request the Company to purchase their shares;
- (VIII) such other rights provided by laws, administrative regulations, departmental rules, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

Article 32 A shareholder who requests to inspect the relevant information or to obtain materials as mentioned in the preceding article shall provide the Company with a written document proving the number of shares held by him/her in the Company, which shall be provided as requested by the shareholder after his/her identity as a shareholder has been verified.

Article 33 If the content of a resolution of the shareholders' meeting or the Board of Directors of the Company violates laws or administrative regulations, a shareholder shall have the right to request the people's court at the place of the Company's registration to declare it invalid.

If the convening procedure or voting method of a shareholders' meeting or a Board meeting violates laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, a shareholder shall have the right to request the people's court at the place of the Company's registration to revoke it within 60 days from the date of the resolution.

Article 34 If a director or senior management personnel violates the provisions of the laws, administrative regulations or the Articles of Association in the performance of his/her duties of the Company and causes losses to the Company, a shareholder who has held, individually or jointly, 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request in writing that the Board of Supervisors institute legal proceedings in the people's court at the place of the Company's registration; if the Board of Supervisors violates the provisions of the laws, administrative regulations or the Articles of Association in the performance of its duties of the Company and causes losses to the Company, a shareholder may request in writing that the Board of Directors institute legal proceedings in the people's court at the place of the Company's registration.

If the Board of Supervisors or the Board of Directors refuses to institute legal proceedings after receiving the written request from a shareholder as stipulated in the preceding paragraph, or fails to institute legal proceedings within 30 days from the date of receipt of the request, or if the situation is urgent and failure to institute legal proceedings immediately will cause irreparable damage to the interests of the Company, the shareholder stipulated in the preceding paragraph shall have the right to institute legal proceedings directly in the people's court at the place of the Company's registration in his/her own name for the benefit of the Company.

If a third party infringes upon the legitimate rights and interests of the Company and causes losses to the Company, the shareholder stipulated in the first paragraph of this article may institute legal proceedings in a people's court in accordance with the provisions of the preceding two paragraphs.

Article 35 If a director or senior management personnel violates the provisions of the laws, administrative regulations or the Articles and harms the interests of shareholders, a shareholder may institute legal proceedings in a people's court.

Article 36 Shareholders of the Company shall have the following obligations:

- (I) to abide by laws, administrative regulations and the Articles of Association;
- (II) to pay the share subscription price based on the shares subscribed for by them and the method of acquiring such shares;
- (III) not to return shares unless prescribed otherwise in laws and 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 person or the limited liability of shareholders to harm the interests of the Company's creditors;
- (V) other obligations that should be assumed under the laws, administrative regulations, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

If a shareholder of the Company abuses shareholder rights and causes losses to the Company or other shareholders, he/she shall bear compensation liability in accordance with the laws. If a shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously damages the interests of the Company's creditors, he/she shall be jointly and severally liable for the Company's debts.

Article 37 A shareholder holding 5% or more of the voting shares of the Company shall, on the day of the occurrence of the fact, make a written report to the Board of Directors of the Company if he/she pledges the shares held by him/her.

Article 38 The controlling shareholder and the actual controller of the Company shall not use their affiliated relationship to harm the interests of the Company. If a violation of this provision causes losses to the Company, they shall be liable for compensation.

The controlling shareholder and the actual controller of the Company owe a duty of good faith to the Company and its public shareholders. The controlling shareholder shall exercise the rights of a contributor in strict accordance with the laws. The controlling shareholder shall not use profit distribution, asset restructuring, external investment, occupation of funds, loan guarantees, etc. to harm the legitimate rights and interests of the Company and its public shareholders, and shall not use its controlling position to harm the interests of the Company and its public shareholders.

Section 2 General Provisions of the Shareholders' Meeting

Article 39 The shareholders' meeting is the power organ of the Company and exercises the following functions and powers in accordance with the laws:

- (I) to decide on the operating policies and investment plans of the Company;
- (II) to elect and replace directors and supervisors who are not employee representatives, and to decide on matters relating to their remuneration;
- (III) to review and approve reports of the Board of Directors;
- (IV) to review and approve reports of the Board of Supervisors;
- (V) to review and approve the annual financial budgets and final accounts of the Company;
- (VI) to review and approve the profit distribution plans and loss recovery plans of the Company;
- (VII) to adopt resolutions on increasing or reducing the registered capital of the Company;
- (VIII) to adopt resolutions on the issuance of bonds of the Company;
- (IX) to adopt resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (X) to amend the Articles of Association;
- (XI) to make resolutions on the hiring and dismissal of accounting firms by the Company;
- (XII) to review and approve the guarantee matters under Article 40 of the Articles of Association;

- (XIII) to review the matters relating to the purchase or the sale of major assets by the Company within 1 year, the amount of which exceeds 30% of the latest audited total assets of the Company;
- (XIV) to review and approve matters relating to the modification of use of proceeds;
- (XV) to review the share incentive schemes and employee shareholding schemes;
- (XVI) to review the Company's acquisition of its own shares due to the circumstances specified in items (I) and (II) of paragraph one under Article 22 of the Articles;
- (XVII) to review other matters that are required to be resolved by the shareholders' meeting as prescribed by the law, administrative regulations, departmental rules, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

Article 40 The following external guarantees of the Company must be submitted to the shareholders' meeting for review and approval:

- (I) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the Company's latest audited net assets;
- (II) any guarantee provided after the total amount of external guarantees of the Company exceeds 30% of the Company's latest audited total assets;
- (III) any guarantee provided by the Company within one year with a guarantee amount exceeding 30% of the Company's latest audited total assets;
- (IV) any guarantee provided for a guaranteed party with an asset-liability ratio exceeding 70%;
- (V) any single guarantee with an amount exceeding 10% of the latest audited net assets;
- (VI) any guarantee provided for shareholders, actual controllers and their related parties;
- (VII) other external guarantee matters that should be decided by the shareholders' meeting in accordance with relevant laws and regulations or the securities regulatory rules of the place where the Company's shares are listed.

For guarantee matters within the authority of the Board of Directors, in addition to being approved by more than half of all directors, they must also be approved by more than two-thirds of the directors present at the Board meeting; the guarantee in item (IV) of the preceding paragraph shall be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Article 41 Shareholders' meetings include annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings shall be convened once a year and within 6 months after the end of the preceding fiscal year.

Article 42 The Company shall convene an extraordinary shareholders' meeting within 2 months from the date of the occurrence of any of the following circumstances:

- (I) the number of directors is less than two-thirds of the number (7) prescribed in the Articles of Association;
- (II) the losses of the Company that have not been made up reach one-third of its total share capital;
- (III) such is requested by a shareholder alone or shareholders jointly holding no less than 10% of the Company's total shares;
- (IV) the Board of Directors considers it necessary;
- (V) the Board of Supervisors proposes that such a meeting shall be held;
- (VI) other circumstances as specified by laws, administrative regulations, departmental rules, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

If the extraordinary shareholders' meeting is convened in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, the actual convening date of the extraordinary shareholders' meeting can be adjusted according to the approval progress of the stock exchange where the Company's shares are listed.

Article 43 When the Company convenes a shareholders' meeting, it will engage lawyers to attend the shareholders' meeting, issue a legal opinion on the following matters and make an announcement:

- (I) whether the convening and holding procedures of the shareholders' meeting comply with the provisions of laws, administrative regulations and the Articles of Association;
- (II) the legality and validity of the qualifications of the attendees and the convenor;
- (III) whether the voting procedures and results of the shareholders' meeting are legal and valid;
- (IV) other relevant matters required by the Company.

Article 44 The Company's shareholders' meeting may be held at the Company's domicile, the place where its shares are listed or other locations deemed appropriate by the Company. The shareholders' meeting will be held at a physical venue in the form of a physical meeting. The Company will also provide online voting to facilitate shareholders' participation in the shareholders' meeting. Shareholders who participate in the shareholders' meeting through the above methods shall be deemed to be present.

The time and location of the physical meeting shall be chosen to facilitate the participation of shareholders. After the notice of the shareholders' meeting has been issued, the location of the physical shareholders' meeting shall not be changed without sound reason. If a change is necessary, the convenor shall announce and explain the reason at least 2 working days before the date of the physical meeting.

If the Company's shareholders' meeting is held online, shareholders registered on the equity record date shall authenticate their identity and participate in the voting through the online system.

Section 3 Convening of the Shareholders' Meeting

Article 45 Independent non-executive directors shall have the right to propose to the Board of Directors in writing the convening of an extraordinary shareholders' meeting. For the proposal of independent non-executive directors to convene an extraordinary shareholders' meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the proposal.

If the Board of Directors agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days of the Board's resolution; if the Board of Directors disagrees to convene the extraordinary shareholders' meeting, it shall explain the reasons and make an announcement.

Article 46 The Board of Supervisors shall have the right to propose to the Board of Directors the convening of an extraordinary shareholders' meeting, and shall make the same to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the proposal.

If the Board of Directors agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days of the Board's resolution, and any change to the original proposal in the notice shall be subject to the consent of the Board of Supervisors.

If the Board of Directors disagrees to convene the extraordinary shareholders' meeting, or fails to give feedback within 10 days of receiving the proposal, it shall be deemed that the Board of Directors is unable or fails to perform its duty to convene and preside over the shareholders' meeting, and the Board of Supervisors may convene and preside over the meeting on its own.

Article 47 A shareholder or shareholders holding, individually or jointly, 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary shareholders' meeting, and shall make the request to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the request.

If the Board of Directors agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days of the Board's resolution, and any change to the original request mentioned in the notice shall be subject to the consent of the relevant shareholders.

If the Board of Directors disagrees to convene the extraordinary shareholders' meeting, or fails to give feedback within 10 days of receiving the request, the shareholder or shareholders holding, individually or jointly, 10% or more of the Company's shares shall have the right to propose to the Board of Supervisors the convening of an extraordinary shareholders' meeting, and shall make the request to the Board of Supervisors in writing.

If the Board of Supervisors agrees to convene the extraordinary shareholders' meeting, it shall issue a notice of the shareholders' meeting within 5 days of receiving the request, and any change to the original proposal mentioned in the notice shall be subject to the consent of the relevant shareholders.

If the Board of Supervisors fails to issue a notice of the shareholders' meeting within the prescribed period, it shall be deemed that the Board of Supervisors will not convene and preside over the shareholders' meeting, and a shareholder or shareholders holding, individually or jointly, 10% or more of the Company's shares for 90 consecutive days or more may convene and preside over the meeting on their own.

Article 48 If the Board of Supervisors or shareholders decide to convene a shareholders' meeting on their own, they shall notify the Board of Directors in writing and file a report with the Shanghai Stock Exchange at the same time.

Before the resolution of the shareholders' meeting is announced, the shareholding proportion of the shareholders convening the extraordinary shareholders' meeting shall not be less than 10%.

The shareholders convening the extraordinary shareholders' meeting shall submit relevant supporting materials to the Shanghai Stock Exchange when issuing the notice of the shareholders' meeting and the announcement of the resolution of the shareholders' meeting.

Article 49 For a shareholders' meeting convened by the Board of Supervisors or shareholders on their own, the Board of Directors and the Secretary to the Board of Directors shall cooperate and facilitate it. The Board of Directors shall provide the register of members on the equity record date.

Article 50 For a shareholders' meeting convened by the Board of Supervisors or shareholders on their own, the necessary expenses of the meeting shall be borne by the Company.

Section 4 Proposals and Notices of the Shareholders' Meeting

Article 51 The contents of proposals shall fall within the authority of shareholders' meetings, have a clear topic and specific resolutions, and be in compliance with the laws, administrative regulations and the relevant provisions of the Articles of Association.

Article 52 When the Company convenes a shareholders' meeting, the Board of Directors, the Board of Supervisors and shareholders individually or jointly holding no less than 3% of the shares of the Company shall be entitled to put forward proposals to the Company.

Shareholders individually or jointly holding no less than 3% of the shares of the Company may submit interim proposals in writing to the convenor 10 days prior to the date of shareholders' meeting. The convenor shall issue a supplemental notice of shareholders' meeting within 2 days after receipt of the motion, with such interim proposals announced. If the shareholders' meeting needs to be postponed due to the issuance of a supplemental notice of the shareholders' meeting as required by the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Except as provided in the preceding paragraph, the convenor, after issuing the notice of the shareholders' meeting, shall neither modify the proposals stated in the notice of shareholders' meetings nor add new proposals.

The shareholders' meeting shall not vote on and make resolutions on proposals not listed in the notice of the shareholders' meeting or not in compliance with Article 51 of the Articles of Association.

Article 53 The convenor shall issue an announcement 21 days prior to the convening of the annual shareholders' meeting to notify every shareholder, and 15 days prior to the convening of the extraordinary shareholders' meeting to notify every shareholder.

When counting for the commencement of the period, the Company shall not include the day of the meeting.

Article 54 Notice of the shareholders' meeting shall include the following:

- (I) the time, venue and duration of the meeting;
- (II) subject matters and proposals submitted for consideration at the meeting;
- (III) a clear statement that all shareholders are entitled to attend shareholders' meetings and may appoint their proxies in writing to attend and vote at the meetings, and that such proxies need not be shareholders of the Company;
- (IV) the equity record date for shareholders entitled to attend the shareholders' meeting;
- (V) name(s) and telephone number(s) of the standing contact person(s) for the businesses of the meeting;
- (VI) the time and procedure for voting online or by other means.

Article 55 The notice and supplemental notice of the shareholders' meeting shall fully and completely disclose all the specific contents of all proposals. If the matters to be discussed require the opinion of independent non-executive directors, such opinion and reasons of the independent non-executive directors shall be disclosed at the same time as issuing the notice or supplemental notice of the shareholders' meeting.

The commencement time for voting online or by other means at the shareholders' meeting shall not be earlier than 3:00 p.m. on the day before the physical shareholders' meeting is held, and not later than 9:30 a.m. on the day the physical shareholders' meeting is held, and its end time shall not be earlier than 3:00 p.m. on the day the physical shareholders' meeting ends.

The interval between the equity record date and the date of the meeting shall not be more than 7 working days. Once the equity record date is confirmed, it shall not be changed.

Article 56 If the shareholders' meeting is intended to discuss the election of directors or supervisors, the notice of the shareholders' meeting shall fully disclose the detailed information of the candidates for directors and supervisors, including at least the following:

- (I) personal information such as educational background, work experience, and concurrent positions;
- (II) whether there is any affiliated relationship with the Company or its controlling shareholder and actual controller;
- (III) disclosure of the number of shares held in the Company;
- (IV) whether he/she has been punished by the CSRC and other relevant departments and disciplined by the Shanghai Stock Exchange.

Except for the election of directors and supervisors by cumulative voting, each candidate for director and supervisor shall be proposed as a single proposal.

Article 57 After the notice of the shareholders' meeting has been issued, the shareholders' meeting shall not be postponed or cancelled, and the proposals listed in the notice of the shareholders' meeting shall not be cancelled without sound reason. In the event of postponement or cancellation, the convenor shall announce and describe the reason(s) at least 2 working days before the originally scheduled date of the meeting. If the securities regulatory rules of the place where the Company's shares are listed have special provisions on the procedures for postponing or cancelling a shareholders' meeting, such provisions shall prevail, provided that they do not violate the domestic regulatory requirements.

Section 5 Holding of the Shareholders' Meeting

Article 58 The Board of Directors of the Company and other convenors shall take necessary measures to ensure the normal order of the shareholders' meeting. For acts that disrupt the shareholders' meeting, cause trouble and infringe upon the legitimate rights and interests of shareholders, measures will be taken to stop them and report them to the relevant departments for investigation and handling in a timely manner.

Article 59 All shareholders or their proxies registered on the register of members on the equity record date shall have the right to attend shareholders' meetings and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association.

Shareholders may attend a shareholders' meeting in person and may appoint a proxy to attend and vote on their behalf.

Each shareholder is entitled to appoint one proxy, who need not be a shareholder of the Company. If a shareholder is a Recognized Clearing House (or its nominee), it may authorize its corporate representative or one or more persons as it deems fit to act as its proxy at any shareholders' meeting. Such shareholder's proxy may, in accordance with the shareholder's authorization, exercise the following rights:

- (I) the shareholder's right to speak at the shareholders' meeting;
- (II) to demand a poll on his own or jointly with others;
- (III) to exercise voting rights by a show of hands or on a poll, except as otherwise provided by relevant laws, administrative regulations and the listing rules of the stock exchange where the Company's shares are listed or other securities laws and regulations.

Article 60 A natural person shareholder who attends the meeting in person shall present his/her ID card or other valid certificate or proof that can prove his/her identity, and his/her stock account card; if he/she entrusts a proxy to attend the meeting, the proxy shall present his/her valid ID card and the shareholder's power of attorney.

Where a shareholder is a legal person, its legal representative or a proxy appointed by its legal representative, its board of directors or other decision-making body shall attend the meeting. If the legal representative attends the meeting, he/she shall present his/her ID card and a valid certificate that can prove his/her qualification as a legal representative; if a proxy attends the meeting, the proxy shall present his/her ID card and a written power of attorney legally issued by the legal representative of the legal person shareholder unit (except for shareholders who are Recognized Clearing Houses and their nominees).

Article 61 The power of attorney issued by a shareholder to entrust another person to attend a shareholders' meeting shall state the following:

- (I) the name of the proxy;
- (II) whether the proxy has the right to vote;
- (III) instructions to vote for, against or abstain on each matter on the agenda of the shareholders' meeting;
- (IV) the date of issue and the period of validity of the power of attorney;
- (V) the signature (or seal) of the principal. If the principal is a legal person shareholder, the seal of the legal person unit shall be affixed.

Article 62 The power of attorney shall state whether the shareholder's proxy may vote at his/her discretion if the shareholder does not give specific instructions.

The proxy form for voting shall be deposited at the Company's domicile or at such other place as may be specified in the notice convening the meeting at least 24 hours before the meeting at which it is to be used for voting, or 24 hours before the specified time for voting. If the proxy form for voting is signed by a person authorized by the principal, the power of attorney or other authorization document authorizing the signature shall be notarized. The notarized power of attorney or other authorization document and the proxy form for voting shall be deposited at the Company's domicile or at such other place as may be specified in the notice convening the meeting. If the principal is a legal person, its legal representative or a person authorized by a resolution of its board of directors or other decision-making body shall attend the Company's shareholders' meeting as its representative.

If such shareholder is a Recognized Clearing House (or its nominee), it may authorize one or more persons as it deems fit to act as its representative at any shareholders' meeting or creditors' meeting; provided that if more than one person is so authorized, the instrument of authorization shall specify the number and class of shares in respect of which each such person is so authorized, and the instrument of authorization shall be signed by a person authorized by the Recognized Clearing House. A person so authorized may exercise rights on behalf of the Recognized Clearing House (or its nominee) (without presenting proof of shareholding, notarized authorization and/or further evidence of his/her formal authorization), and shall enjoy the same legal rights as other shareholders, including the right to speak and vote, as if he/she were an individual shareholder of the Company.

Article 63 The registration book for attendees of the meeting shall be prepared by the Company. The registration book shall state the names (or unit names), ID card numbers, residential addresses, the number of voting shares held or represented, and the names (or unit names) of the principals of the attendees, etc..

Article 64 The convenor and the lawyers engaged by the Company shall jointly verify the legality of the shareholders' qualifications based on the register of members provided by the securities depository and clearing institution, and register the names (or titles) of the shareholders and the number of voting shares held by them. The registration for the meeting shall be terminated before the chairman of the meeting announces the number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them.

Article 65 When a shareholders' meeting is held, all directors, supervisors and the Secretary to the Board of Directors of the Company shall attend the meeting, and the President and other senior management personnel shall be present at the meeting. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforesaid persons may attend or be present at the meeting by means of network, video, telephone or other means with equivalent effect.

Article 66 The shareholders' meeting shall be presided over by the Chairman of the Board of Directors. If the Chairman of the Board of Directors is unable or fails to perform his/her duties, the 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 perform his/her duties, a director shall be jointly elected by more than half of the directors to preside over the meeting.

A shareholders' meeting convened by the Board of Supervisors on its own shall be presided over by the Chairman of the Board of Supervisors. If the Chairman of the Board of Supervisors is unable or fails to perform his/her duties, a supervisor shall be jointly elected by more than half of the supervisors to preside over the meeting.

A shareholders' meeting convened by shareholders on their own shall be presided over by a representative elected by the convenors.

When a shareholders' meeting is held, if the chairman of the meeting violates the rules of procedure and makes it impossible for the shareholders' meeting to continue, the shareholders' meeting may, with the consent of more than half of the voting rights of the shareholders present at the physical meeting, elect a person to act as the chairman of the meeting and continue the meeting.

Article 67 The Company shall formulate rules of procedure for shareholders' meetings, which shall specify in detail the procedures for convening and voting at shareholders' meetings, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of resolutions, minutes of meetings and their signing, announcement, etc., as well as the principles for the authorization of the Board of Directors by the shareholders' meeting, and the content of the authorization shall be clear and specific. The rules of procedure for shareholders' meetings shall be an appendix to the Articles of Association, drafted by the Board of Directors and approved by the shareholders' meeting.

Article 68 At the annual shareholders' meeting, the Board of Directors and the Board of Supervisors shall report to the shareholders' meeting on their work in the past year. Each independent non-executive director shall also make a report on his/her duties.

Article 69 Directors, supervisors and senior management personnel shall explain and clarify the questions and suggestions of shareholders at the shareholders' meeting.

Article 70 The chairman of the meeting shall, before voting, announce the number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them. The number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them shall be based on the registration for the meeting.

Article 71 Minutes shall be taken of the shareholders' meeting, for which the Secretary to the Board of Directors shall be responsible. The minutes of the meeting shall record the following:

- (I) the time, place, agenda and the name or title of the convenor of the meeting;
- (II) the name of the chairman of the meeting and the names of the directors, supervisors, President and other senior management personnel present or in attendance at the meeting;
- (III) the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the proportion of such shares to the total shares of the Company;
- (IV) the deliberation process, main points of speeches and voting results for each proposal;
- (V) the questions or suggestions of shareholders and the corresponding replies or explanations;
- (VI) the names of the lawyers, vote counters and scrutineers;
- (VII) other contents that should be recorded in the minutes of the meeting as stipulated in the Articles of Association.

Article 72 The convenor shall ensure that the content of the minutes of the meeting is true, accurate and complete. The directors, supervisors, Secretary to the Board of Directors, the convenor or his/her representative, and the chairman of the meeting present at the meeting shall sign the minutes of the meeting.

The minutes of the meeting, together with the signature book of the shareholders present at the physical meeting, the powers of attorney for proxy attendance, and the valid materials of the voting results by online and other means, shall be kept for a period of not less than 10 years.

Article 73 The convenor shall ensure that the shareholders' meeting is held continuously until a final resolution is reached. If the shareholders' meeting is suspended or a resolution cannot be made due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' meeting as soon as possible or to terminate the meeting directly, and an announcement shall be made in a timely manner. At the same time, the convenor shall report to the local branch of the CSRC where the Company is located and the Shanghai Stock Exchange.

Section 6 Voting and Resolutions of the Shareholders' Meeting

Article 74 Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share. When voting, a shareholder (including a proxy) with two or more votes need not cast all of his/her votes for, against or abstain.

When the shareholders' meeting considers major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate vote counting shall be publicly disclosed in a timely manner.

Shares in the Company which are held by the Company do not carry any voting rights, and such shares shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' meeting.

If a shareholder's purchase of the Company's voting shares violates the provisions of Article 63, paragraphs one and two of the Securities Law, the portion of shares exceeding the prescribed ratio shall not be entitled to vote within 36 months of the purchase, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' meeting.

In accordance with applicable laws and regulations and the Hong Kong Listing Rules, if any shareholder is required to abstain from voting on a particular resolution, or is restricted to voting only in favor of (or against) a particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted in the total number of voting shares.

The Board of Directors, independent non-executive directors and shareholders holding 1% or more of the voting shares or an investor protection institution established in accordance with laws, administrative regulations or the provisions of the CSRC may publicly solicit shareholder voting rights. The solicitation of shareholder voting rights shall fully disclose to the solicited persons information such as the specific voting intention. It is prohibited to solicit shareholder voting rights by means of compensation or disguised compensation. Except for statutory conditions, the Company shall not impose a minimum shareholding ratio restriction on the solicitation of voting rights.

Article 75 Resolutions of the shareholders' meeting include ordinary resolutions and special resolutions.

An ordinary resolution at a shareholders' meeting shall be adopted by shareholders in attendance (including proxies) holding more than half of the voting rights.

A special resolution at a shareholders' meeting shall be adopted by shareholders in attendance (including proxies) holding at least two-thirds of the voting rights.

Article 76 The following matters shall be adopted by ordinary resolution at a shareholders' meeting:

- (I) the work reports of the Board of Directors and the Board of Supervisors;
- (II) the profit distribution plans and loss recovery plans formulated by the Board of Directors;
- (III) the appointment and removal of members of the Board of Directors and the Board of Supervisors, their remuneration and payment methods;
- (IV) the Company's annual budget plan and final accounts report;
- (V) the Company's annual report;
- (VI) other matters other than those required to be adopted by special resolution by the provisions of the laws, administrative regulations, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

Article 77 The following matters shall be adopted by special resolution at a shareholders' meeting:

- (I) the increase or reduction of the registered capital by the Company;
- (II) the Company acquires its own shares in accordance with the circumstances specified in Article 22, paragraph one, items (I) and (II) of the Articles;
- (III) the division, spin-off, merger, dissolution and liquidation of the Company;
- (IV) the amendment to the Articles of Association;
- (V) the share incentive schemes;
- (VI) the purchase or the sale of major assets by the Company within 1 year, or the guarantee amount of which exceeds 30% of the latest audited total assets of the Company;
- (VII) other matters that are stipulated by laws, administrative regulations, the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed, and are recognized by the shareholders' meeting through an ordinary resolution as having a significant impact on the Company and requiring adoption by a special resolution.

Article 78 Except in special circumstances such as a crisis of the Company, the Company shall not, without the approval of a special resolution of the shareholders' meeting, enter into a contract with a person other than a director, President or other senior management personnel to entrust the management of all or important business of the Company to that person.

Article 79 The list of candidates for directors and supervisors shall be submitted to the shareholders' meeting for voting in the form of a proposal.

The method and procedure for nominating directors and supervisors are as follows:

When the Board of Directors of the Company is to be re-elected or when there is a vacancy in the membership of the Board of Directors that needs to be filled, the Board of Directors of the Company shall have the right to nominate candidates for directors, and after review and approval, submit the list of candidates for directors, their resumes and basic information to the shareholders' meeting for consideration in the form of a proposal.

When the Board of Directors of the Company is to be re-elected or when there is a vacancy in the membership of the Board of Directors that needs to be filled, a shareholder or shareholders holding or jointly holding 3% or more of the total voting shares of the Company may recommend candidates for directors to the Board of Directors of the Company in writing. After review by the Board of Directors of the Company, if the candidates comply with the laws and the Articles, the Board of Directors of the Company shall submit the list of candidates for directors, their resumes and basic information to the shareholders' meeting for consideration in the form of a proposal.

When the Board of Supervisors of the Company is to be re-elected or when there is a vacancy in the membership of the Board of Supervisors that needs to be filled, the Board of Supervisors of the Company shall have the right to nominate candidates for supervisors, and after review and approval, submit the list of candidates for supervisors, their resumes and basic information to the shareholders' meeting for consideration in the form of a proposal.

When the Board of Supervisors of the Company is to be re-elected or when there is a vacancy in the membership of the Board of Supervisors that needs to be filled, a shareholder or shareholders holding or jointly holding 3% or more of the total voting shares of the Company may recommend candidates for supervisors to the Board of Supervisors of the Company in writing. After review by the Board of Supervisors of the Company, if the candidates comply with the laws and the Articles, the Board of Supervisors of the Company shall submit the list of candidates for supervisors, their resumes and basic information to the shareholders' meeting for consideration in the form of a proposal.

When the Board of Supervisors is to be re-elected or when there is a vacancy that needs to be filled, the position of supervisor originally held by an employee representative of the Company shall still be filled by an employee of the Company through democratic nomination and election by the employee representative congress for replacement or by-election.

Before nominating a candidate for director or supervisor, the nominator shall obtain a written commitment from the candidate, confirming his/her acceptance of the nomination, and promising that the publicly disclosed information of the candidate for director or supervisor is true and complete, and guaranteeing that he/she will earnestly perform the duties of a director or supervisor after being elected.

When the shareholders' meeting votes on the election of two or more directors or supervisors, the cumulative voting system shall be implemented.

The cumulative voting system referred to in the preceding paragraph means that when the shareholders' meeting elects directors or supervisors, each share has the same number of votes as the number of directors or supervisors to be elected, and the votes held by shareholders can be used collectively. The Board of Directors shall announce to the shareholders the resumes and basic information of the candidates for directors and supervisors.

Article 80 The shareholders' meeting shall adopt a registered voting system.

Article 81 Except for the cumulative voting system, the shareholders' meeting shall vote on all proposals one by one. If there are different proposals on the same matter, they shall be voted on in the order in which they are proposed. Except for the suspension of the shareholders' meeting or the inability to make a resolution due to force majeure or other special reasons, the shareholders' meeting shall not shelve or fail to vote on a proposal.

Article 82 When the shareholders' meeting considers a proposal, it shall not amend the proposal, otherwise, the relevant change shall be deemed to be a new proposal and cannot be voted on at this shareholders' meeting.

Article 83 The Company shall, on the premise of ensuring the legality and validity of the shareholders' meeting, provide convenience for shareholders to participate in the shareholders' meeting through various ways and means, and give priority to providing modern information technology means such as online voting platforms.

The same voting right can only choose one of the methods of on-site, online or other means. If the same voting right is voted on repeatedly, the first vote shall prevail.

Article 84 Before the shareholders' meeting votes on a proposal, two shareholder representatives shall be elected to participate in the vote counting and supervision. If the matter under consideration is related to a shareholder, the relevant shareholder and his/her proxy shall not participate in the vote counting and supervision.

When the shareholders' meeting votes on a proposal, the lawyer, shareholder representatives and supervisor representatives shall be jointly responsible for vote counting and supervision, and the voting results shall be announced on the spot, and the voting results of the resolution shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies who vote by online or other means shall have the right to check their own voting results through the corresponding voting system.

Article 85 The end time of the physical shareholders' meeting shall not be earlier than that of the online or other means. The chairman of the meeting shall announce the voting situation and results of each proposal, and announce whether the proposal is passed according to the voting results. Before the official announcement of the voting results, the Company, vote counters, scrutineers, major shareholders, online service providers and other relevant parties involved in the physical, online and other voting methods of the shareholders' meeting shall be obliged to keep the voting situation confidential.

Article 86 Shareholders attending the shareholders' meeting shall express one of the following opinions on the proposals submitted for voting: agree, oppose or abstain. This does not apply to securities depository and clearing institutions acting as nominee holders of shares under the Stock Connect scheme between the Chinese Mainland and Hong Kong stock markets, who declare their votes according to the intentions of the actual holders.

Votes that are not filled in, filled in incorrectly, illegible, or not cast shall be deemed to be an abstention by the voter, and the voting result of the number of shares held by him/her shall be counted as "Abstain".

Article 87 If the chairman of the meeting has any doubt about the result of a resolution submitted for voting, he/she may organize a recount of the votes; if the chairman of the meeting does not conduct a recount, a shareholder or shareholder's proxy present at the meeting who objects to the result announced by the chairman of the meeting shall have the right to demand a recount immediately after the announcement of the voting result, and the chairman of the meeting shall immediately organize a recount.

Article 88 When the shareholders' meeting considers matters concerning related party transactions, the related shareholders shall not participate in the voting, and the number of voting shares represented by them shall not be included in the total number of valid votes; the announcement of the resolution of the shareholders' meeting shall fully disclose the voting situation of the non-related shareholders.

Article 89 If a proposal is not passed, or if the current shareholders' meeting changes the resolution of the previous shareholders' meeting, a special reminder shall be made in the announcement of the resolution of the shareholders' meeting.

Article 90 If the shareholders' meeting passes a proposal on the election of directors or supervisors, the term of office of the newly appointed directors and supervisors shall commence from the date of the resolution of this shareholders' meeting.

Article 91 If the shareholders' meeting passes a proposal on dividend distribution, bonus issue or conversion of capital reserve into share capital, the Company shall implement the specific plan within 2 months after the end of the shareholders' meeting. If the specific plan cannot be implemented within 2 months due to the provisions of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such provisions and the actual situation.

Article 92 The resolutions of the shareholders' meeting shall be announced in a timely manner. The announcement shall state the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the proportion of such shares to the total number of voting shares of the Company, the voting method, the voting results of each proposal and the detailed content of each resolution passed.

CHAPTER V BOARD OF DIRECTORS

Section 1 Directors

Article 93 The directors of the Company may include executive directors, non-executive directors and independent non-executive directors. Non-executive directors refer to directors who do not hold operation and management positions in the Company. The qualifications, nomination and election procedures, powers and other related matters of independent non-executive directors shall be implemented in accordance with the relevant provisions of the law, the CSRC and the stock exchange where the Company's shares are listed. Directors shall have the qualifications for office required by laws, administrative regulations, rules, the Articles of Association and the securities regulatory rules of the place where the Company's shares are listed.

The directors of the Company shall be natural persons. A person shall not serve as a director of the Company if he/she:

- (I) has no or limited capacity for civil conduct;
- (II) has been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property or disruption of the socialist market economic order, and not more than 5 years have elapsed since the expiration of the execution period, or has been deprived of political rights for a crime, and not more than 5 years have elapsed since the expiration of the execution period;
- (III) was a director or factory director or manager of a company or enterprise that was declared bankrupt and liquidated, and was personally responsible for the bankruptcy of that company or enterprise, and not more than 3 years have elapsed since the completion of the bankruptcy and liquidation of that company or enterprise;
- (IV) was the legal representative of a company or enterprise whose business license was revoked and which was ordered to close down for violation of the law, and was personally responsible for it, and not more than 3 years have elapsed since the date of the revocation of the business license of that company or enterprise;
- (V) has a large amount of personal debt that is due and has not been paid off;
- (VI) has been subject to a securities market ban by the CSRC, and the period has not expired;
- (VII) other circumstances stipulated by laws, administrative regulations, departmental rules or the securities regulatory rules of the place where the Company's shares are listed or the relevant regulatory authorities.

The election of a director in violation of this article shall be invalid. If a director falls under the circumstances of this article during his/her term of office, the Company shall remove him/her from his/her position.

Article 94 Directors are elected or replaced by the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term. The term of office for a director is 3 years, and upon expiration, re-election is possible in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed. Before the expiration of a director's term of office, he/she may be removed by an ordinary resolution of the shareholders' meeting, but such removal shall not affect any claim for damages made by the director under any contract.

The Board of Directors of the Company shall not have a position for a director who is an employee representative.

The term of office of a director shall commence on the date of taking office and end on the expiration of the term of the current session of the Board. If a director is not re-elected in a timely manner upon the expiration of his term of office, the former director shall perform his duties as a director in accordance with the provisions of the laws, administrative regulations, departmental rules and the Articles of Association before the re-elected director takes office.

The directors may be held concurrently by the President or other senior management members, but the total number of directors who concurrently hold the positions of President or other senior management shall not exceed one-half of the total number of directors of the Company.

Article 95 The directors shall abide by the laws, administrative regulations and the Articles of Association and have the following duty of loyalty to the Company:

- (I) shall not take advantage of his power to accept bribes or other illegal income, and shall not embezzle the property of the Company;
- (II) shall not misappropriate the Company's funds;
- (III) shall not open an account for depositing the Company's assets or funds in his/her own name or in the name of another individual;
- (IV) shall not violate the provisions of the Articles of Association by lending the Company's funds to others or providing guarantees for others with the Company's property without the consent of a shareholders' meeting or the Board of Directors;
- (V) shall not enter into contracts or conduct transactions with the Company in violation of the Articles of Association or without the consent of a shareholders' meeting;
- (VI) without the consent of a shareholders' meeting, he/she shall not take advantage of his position to seek business opportunities for himself or others that should belong to the Company, or to operate the same kind of business as that of the Company for himself or for others;
- (VII) shall not accept commissions from transactions with the Company as his own;
- (VIII) shall not disclose the Company's trade secrets and non-public information without authorization;
- (IX) shall not make use of the affiliated relationship to prejudice the interests of the Company;
- (X) other duties of loyalty stipulated by laws, administrative regulations, departmental rules, the Articles of Association, and the securities regulatory rules of the place where the Company's shares are listed.

Any income derived by a director from violation of the provisions of this article shall belong to the Company; for any resulting loss to the Company, such director shall be liable for compensation.

Article 96 Directors shall abide by the laws, administrative regulations and the Articles of Association and shall be subject to the following diligence obligations to the Company:

- (I) shall exercise the rights granted by the Company in a prudent, conscientious and diligent manner to ensure that the Company's commercial activities comply with the requirements of national laws, administrative regulations and various national economic policies, and that the extent of the commercial activities do not exceed the business scope stipulated in the business license;
- (II) shall treat all shareholders fairly;
- (III) shall keep abreast of the Company's business operation and management;
- (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 truthfully provide relevant information and materials to the Board of Supervisors, and shall not hinder the Board of Supervisors or the supervisors from performing their duties;
- (VI) other diligence obligations stipulated by laws, administrative regulations, departmental rules, the Articles of Association, and the securities regulatory rules of the place where the Company's shares are listed.

Article 97 Without the provision of the Articles of Association or the legal authorization of the Board of Directors, a director shall not act in his/her personal name on behalf of the Company or the Board of Directors. When a director acts in his/her personal name, if a third party would reasonably believe that the director is acting on behalf of the Company or the Board of Directors, the director shall declare his/her position and identity in advance.

Article 98 If a director fails to attend a Board meeting in person for two consecutive times and does not entrust another director to attend, he/she shall be deemed to be unable to perform his/her duties, and the Board of Directors shall recommend to the shareholders' meeting that he/she be replaced. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, if a director attends a Board meeting by means of network, video, telephone or other means with equivalent effect, he/she shall also be deemed to have attended in person.

Article 99 A director may resign before the expiration of his/her term of office. A director who resigns shall submit a written resignation report to the Board of Directors. The Board of Directors shall disclose the situation of the resigning director within 2 days.

Article 100 If the resignation of a director results in the number of members of the Board of Directors of the Company falling below the statutory minimum, the resignation report of the director shall take effect only after the next director fills the vacancy created by his/her resignation. Before the re-elected director takes office, the former director shall still perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Except for the circumstances listed in the preceding paragraph, the resignation of a director shall take effect when the resignation report is delivered to the Board of Directors.

Article 101 When a director's resignation takes effect or his/her term of office expires, he/she shall complete all handover procedures with the Board of Directors. His/her duty of loyalty to the Company and shareholders shall not be automatically lifted after the end of his/her term of office, and shall remain valid for 2 years.

Article 102 If a director violates the provisions of laws, administrative regulations, departmental rules or the Articles of Association in the performance of his/her duties in the Company and causes losses to the Company, he/she shall be liable for compensation.

Article 103 Independent non-executive directors shall perform their duties in accordance with the relevant provisions of laws, administrative regulations, departmental rules and the Articles, fully understand the operation of the Company and the content of the agenda of the Board of Directors, and safeguard the interests of the Company and all shareholders, especially paying attention to the protection of the legitimate rights and interests of small and medium-sized shareholders.

If there is a conflict between the shareholders or directors of the Company that has a significant impact on the operation and management of the Company, the independent non-executive directors shall take the initiative to perform their duties and safeguard the overall interests of the Company.

Section 2 The Board of Directors

Article 104 The Company shall set up a Board of Directors, which shall be responsible for the shareholders' meeting.

Article 105 The Board of Directors shall consist of 10 directors. The Board of Directors shall consist of one chairman and one vice-chairman.

Article 106 The Board of Directors exercises the following functions and powers:

- (I) to be responsible to convene shareholders' meetings and report to the shareholders' meetings;
- (II) to implement resolutions of the shareholders' meetings;
- (III) to decide on the Company's business plans and investment plans;
- (IV) to formulate the annual financial budgets and final accounts of the Company;
- (V) to formulate the Company's profit distribution plans and plans on making up losses;
- (VI) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities and the listing of shares;
- (VII) to formulate plans for major acquisitions of the Company, the acquisition of the Company's shares as stipulated in Article 22, items (I) and (II), of the Articles, or plans for mergers, divisions, and dissolutions;

- (VIII) in compliance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, to decide on matters related to the acquisition of Company shares as stipulated in Article 22, items (III), (V), and (VI), of the Articles;
- (IX) within the scope of the authorization granted by the shareholders' meeting, to decide on matters such as the Company's external investments, acquisition and sale of assets, asset mortgages, external guarantees, entrusted financial management, related party transactions, and external donations;
- (X) to decide on the establishment of internal management organs of the Company;
- (XI) to appoint or dismiss the President of the Company and the Secretary of the Board of Directors, and to decide on matters regarding their remunerations, rewards and punishments; based on the nomination of the President, to appoint or dismiss senior management personnel such as the Vice President and the Chief Financial Officer of the Company, and to decide on matters regarding their remunerations, rewards and punishments;
- (XII) to formulate the basic management system of the Company;
- (XIII) to formulate proposals to amend the Articles of Association;
- (XIV) to manage information disclosure of the Company;
- (XV) to propose to the shareholders' meeting the appointment or replacement of the accounting firm that provides audit services to the Company;
- (XVI) to listen to the work report of the President and relevant personnel of the Company and to inspect the work of the President;
- (XVII) the annual shareholders' meeting of the Company may authorize the Board of Directors to decide on the issuance of shares to specific objects with a total financing amount not exceeding RMB three hundred million and not more than twenty percent of the net assets at the end of the most recent year. This authorization shall expire on the date of the next annual shareholders' meeting;
- (XVIII) other duties stipulated by laws, administrative regulations, the Articles of Association, or the securities regulatory rules of the place where the Company's shares are listed, as well as other powers granted by the Articles of Association.

Matters beyond the scope of authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

Article 107 The Board of Directors of the Company shall explain to the shareholders' meeting the non-standard audit opinion issued by the certified public accountant on the Company's financial report.

Article 108 The Board of Directors shall formulate rules of procedure for the Board of Directors to ensure that the Board of Directors implements the resolutions of the shareholders' meeting, improves work efficiency and ensures scientific decision-making.

The rules of procedure for the Board of Directors shall stipulate the convening and voting procedures of the Board of Directors meetings. The rules of procedure for the Board of Directors shall be an appendix to the Articles of Association, drafted by the Board of Directors and approved by the shareholders' meeting.

Article 109 The Board of Directors shall establish special committees including a Strategy and ESG Committee, an Audit Committee, as well as a Nomination, Remuneration and Appraisal Committee.

The special committees shall be responsible to the Board of Directors, perform their duties in accordance with the Articles and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. All members of the special committees shall be directors. Independent non-executive directors shall constitute a majority of the Audit Committee, the Nomination, Remuneration and Appraisal Committee and shall act as the convenor. The convenor of the Audit Committee shall be an accounting professional. The Board of Directors shall be responsible for formulating the working rules of the special committees to regulate their operation.

Article 110 The Board of Directors shall determine the authority for external investment, acquisition and sale of assets, asset mortgage, external guarantee, entrusted financial management, related party transactions, and external donations, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professional personnel and submitted to the shareholders' meeting for approval.

Article 111 The Board of Directors shall have one chairman and may have a vice-chairman. The chairman and vice-chairman shall be elected by more than half of all directors of the Board of Directors.

Article 112 The chairman shall exercise the following functions and powers:

- (I) to preside over shareholders' meetings and convene and preside over Board meetings;
- (II) to supervise and inspect the implementation of Board resolutions;
- (III) other functions and powers granted by the Board of Directors.

Article 113 The vice-chairman of the Company shall assist the chairman in his/her work. If the chairman is unable or fails to perform his/her duties, the vice-chairman shall perform his/her duties; if the vice-chairman is unable or fails to perform his/her duties, a director shall be jointly elected by more than half of the directors to perform his/her duties.

Article 114 Board meetings are divided into regular meetings and extraordinary meetings. The Board of Directors shall hold at least four meetings each year. Board meetings shall be convened by the chairman. A written notice of a regular Board meeting shall be given to all directors and supervisors 14 days before the meeting is held.

Article 115 Shareholders representing 1/10 or more of the voting rights, 1/3 or more of the directors, more than half of the independent non-executive directors or the Board of Supervisors may propose to convene an extraordinary Board meeting. The chairman shall convene and preside over the Board meeting within 10 days of receiving the proposal.

Article 116 The notice of an extraordinary Board meeting shall be given by: personal delivery of a written notice, email, fax, telephone or other communication methods to the director himself/herself; the time limit for the notice shall be within 2 working days before the meeting is held.

Article 117 The notice of a Board meeting shall include the following:

- (I) the date and place of the meeting;
- (II) the duration of the meeting;
- (III) the reason and agenda of the meeting;
- (IV) the date of issue of the notice.

Article 118 A Board meeting may be held only if more than 1/2 of the directors are present. A resolution of the Board of Directors must be passed by more than half of all directors.

The vote on a Board of Directors resolution shall be carried out on the basis of one person one vote.

Article 119 If a director has an affiliated relationship with the enterprise involved in the matter to be resolved by the Board meeting, the director shall not exercise his/her voting right on the matter, nor shall he/she act as a proxy for other directors to exercise their voting rights. The Board meeting may be held only if more than half of the non-affiliated directors are present, and the resolution made shall be passed by more than half of the non-affiliated directors present at the meeting. If the number of non-affiliated directors present at the Board meeting is less than 3, the matter shall be submitted to the shareholders' meeting for consideration.

If laws, regulations and the securities regulatory rules of the place where the Company's shares are listed have any additional restrictions on the participation of directors in Board meetings and voting, such provisions shall prevail.

Article 120 A Board meeting may, on the premise of ensuring that directors can fully express their opinions, be held by means of communication or a combination of physical and communication means and a resolution may be made, which shall be signed by the participating directors.

Article 121 A Board meeting shall be attended by the director in person. If a director is unable to attend the meeting in person for any reason, he/she may entrust another director in writing to attend the meeting on his/her behalf.

The power of attorney shall state the name of the proxy, the matters to be represented, the authority and the period of validity, and shall be signed or sealed by the principal. If a director entrusts a proxy to attend the meeting, the director shall be deemed to have attended the meeting.

The director attending the meeting on behalf of another shall exercise the rights of a director within the scope of authorization. If a director does not attend a Board meeting in person and does not entrust a representative to attend the meeting, he/she shall be deemed to have waived his/her voting right at that meeting.

Article 122 The voting method for a Board resolution shall be by a show of hands or by poll, and a written opinion shall be signed. Each director shall have one vote.

Article 123 Complete and true minutes shall be taken of a Board meeting. The directors present at the meeting and the person taking the minutes shall sign the minutes of the meeting. The directors present at the meeting shall have the right to request that an explanatory note be made in the minutes of their speeches at the meeting. The minutes of a Board meeting shall be kept by the Secretary to the Board of Directors as an important archive of the Company and as an important basis for clarifying the responsibilities of directors in the future. The retention period shall not be less than 10 years.

Article 124 The minutes of a Board meeting shall include the following:

- (I) the date, place and name of the convenor of the meeting;
- (II) the names of the directors present at the meeting and the names of the directors (i.e., proxies) who attended the Board meeting on behalf of others;
- (III) the agenda of the meeting;
- (IV) the main points of the directors' speeches;
- (V) the voting method and results of each resolution (the voting results shall state the number of votes for, against or abstained).

CHAPTER VI PRESIDENT AND SENIOR MANAGEMENT PERSONNEL

Article 125 The Company shall have one President, who is appointed or dismissed by the Board of Directors.

The Company shall have several Vice Presidents, nominated by the President and appointed by the Board of Directors. The Vice Presidents shall assist the President in his/her work. The President, Vice Presidents, Chief Financial Officer and Secretary to the Board of Directors of the Company are the senior management personnel of the Company.

Article 126 The circumstances under which a person may not serve as a director as stipulated in the Articles shall also apply to senior management personnel.

The provisions of Article 95 on the duty of loyalty of directors and Article 96 (IV) to (VI) on the duty of diligence of the Articles shall also apply to senior management personnel.

A person who holds an administrative position other than director or supervisor in the controlling shareholder's entity of the Company shall not serve as a senior management personnel of the Company.

The senior management personnel of the Company shall only receive remuneration from the Company and not from the controlling shareholder.

Article 127 The term of office of the President shall be 3 years, and he/she may be re-appointed for another term.

Article 128 The President shall be accountable to the Board of Directors and exercise the following functions and powers:

- (I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report his/her works to the Board of Directors;
- (II) to organize and implement the Company's annual business plan and investment proposals;
- (III) to draft plans for the establishment of the Company's internal management organization;
- (IV) to draft the Company's basic management system;
- (V) to formulate the specific rules and regulations of the Company;
- (VI) to propose to the Board of Directors the appointment or dismissal of the Vice President and the person in charge of finance of the Company;
- (VII) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
- (VIII) such other functions and powers conferred by the Articles or the Board of Directors.

Article 129 The President shall be present at the meetings of the Board of Directors.

Article 130 The President shall formulate detailed rules for the work of the President, which shall be implemented after being approved by the Board of Directors.

Article 131 The detailed rules for the work of the President shall include the following:

- (I) the conditions, procedures and participants of the President's office meeting;
- (II) the specific duties and division of labor of the President, Vice Presidents and other senior management personnel;
- (III) the authority for the use of the Company's funds and assets and the signing of major contracts, as well as the reporting system to the Board of Directors and the Board of Supervisors;
- (IV) other matters deemed necessary by the Board of Directors.

Article 132 The President may resign before the expiration of his/her term of office. The specific procedures and methods for the resignation of the President shall be stipulated in the labor contract between the President and the Company.

Article 133 The Vice Presidents shall assist the President in his/her work and be accountable to the President, and shall be responsible for the relevant work entrusted by the President. The appointment and removal procedures of the Vice Presidents shall be discussed and decided by the Board of Directors of the Company.

Article 134 The Company shall have a Secretary to the Board of Directors, who is responsible for the preparation of the shareholders' meetings and Board meetings of the Company, the custody of documents and the management of shareholder information of the Company, and the handling of information disclosure matters, etc.

The Secretary to the Board of Directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules and the Articles.

Article 135 If senior management personnel violate the provisions of laws, administrative regulations, departmental rules or the Articles of Association in the performance of their duties in the Company and cause losses to the Company, they shall be liable for compensation.

CHAPTER VII BOARD OF SUPERVISORS

Section 1 Supervisors

Article 136 The circumstances under which a person may not serve as a director as stipulated in the Articles shall also apply to supervisors. Directors, the President and other senior management personnel shall not concurrently serve as supervisors.

Article 137 Supervisors shall abide by laws, administrative regulations and the Articles, owe a duty of loyalty and diligence to the Company, and shall not use their power to accept bribes or other illegal income, and shall not embezzle the property of the Company.

Article 138 The term of office of a supervisor shall be 3 years. Upon expiration of his/her term of office, a supervisor may be re-elected for another term.

Article 139 If a supervisor is not re-elected in a timely manner upon the expiration of his/her term of office, or if a supervisor resigns during his/her term of office resulting in the number of members of the Board of Supervisors falling below the statutory minimum, the former supervisor shall still perform his/her duties as a supervisor in accordance with the provisions of laws, administrative regulations and the Articles before the re-elected supervisor takes office.

Article 140 Supervisors shall ensure that the information disclosed by the Company is true, accurate and complete, and shall sign a written confirmation opinion on the regular reports.

Article 141 Supervisors may be present at Board meetings and may raise questions or suggestions on the matters resolved by the Board of Directors.

Article 142 Supervisors shall not use their affiliated relationship to harm the interests of the Company. If they cause losses to the Company, they shall be liable for compensation.

Article 143 If a supervisor violates the provisions of laws, administrative regulations, departmental rules or the Articles in the performance of his/her duties in the Company and causes losses to the Company, he/she shall be liable for compensation.

Section 2 The Board of Supervisors

Article 144 The Company shall establish a Board of Supervisors. The Board of Supervisors shall consist of 3 supervisors. The Board of Supervisors shall have a chairman, who shall be elected by more than half of all supervisors. The chairman of the Board of Supervisors convenes and presides over the meetings of the Board of Supervisors; if the chairman of the Board of Supervisors is unable his duties or fails to perform his duties, a supervisor shall be jointly elected by more than half of the supervisors to convene and preside over the meetings of the Board of Supervisors.

The Board of Supervisors shall include shareholder representatives and an appropriate proportion of employee representatives of the Company, with the proportion of employee representatives not less than 1/3. The employee representatives in the Board of Supervisors shall be democratically elected by the employees of the Company through the employee representative congress, the employee congress or other forms, and the other members shall be elected or removed by the shareholders' meeting.

Article 145 The Board of Supervisors exercises the following functions and powers:

- (I) to review and give written review opinions on the Company's periodic reports prepared by the Board of Directors;
- (II) to examine the Company's financial matters;
- (III) to supervise the performance by the directors and senior management personnel of their duties to the Company and propose the dismissal of the directors and senior management personnel who violate laws, administrative regulations, the Articles or the resolutions of the shareholders' meeting;
- (IV) to demand rectification from the directors and senior management personnel when the acts of such persons are harmful to the Company's interests;
- (V) to propose the convening of extraordinary shareholders' meetings; to convene and preside over the shareholders' meetings in the event that the Board of Directors fails to perform its duties to convene and preside over the shareholders' meetings as stipulated in the Company Law;
- (VI) to submit proposals to the shareholders' meetings;
- (VII) in accordance with the relevant provisions of the Company Law, to institute legal proceedings against directors and senior management personnel;
- (VIII) in case of any abnormal matters during the business operation of the Company, to investigate and if necessary, to engage professionals such as accounting firms or law firms to assist its works with expenses being borne by the Company.

Article 146 The Board of Supervisors shall hold a meeting at least once every 6 months. A supervisor may propose to convene an extraordinary meeting of the Board of Supervisors. A resolution of the Board of Supervisors shall be passed by more than half of the supervisors.

Article 147 The Board of Supervisors shall formulate rules of procedure for the Board of Supervisors, which shall specify the method of deliberation and voting procedures of the Board of Supervisors, so as to ensure the work efficiency and scientific decision-making of the Board of Supervisors.

The rules of procedure for the Board of Supervisors shall stipulate the convening and voting procedures of the Board of Supervisors. The rules of procedure for the Board of Supervisors shall be included in the Articles of Association or as an appendix to the Articles of Association, and shall be drafted by the Board of Supervisors and approved by the shareholders' meeting.

Article 148 The Board of Supervisors shall make minutes of the decisions on the matters discussed, and the supervisors present at the meeting shall sign the minutes of the meeting.

A supervisor shall have the right to request that a certain explanatory note be made in the minutes of his/her speech at the meeting. The minutes of the meetings of the Board of Supervisors shall be kept as a company archive for at least 10 years.

Article 149 The notice of a meeting of the Board of Supervisors shall include the following:

- (I) the date, place and duration of the meeting;
- (II) the reason and agenda of the meeting;
- (III) the date of issue of the notice.

CHAPTER VIII FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Section 1 Financial and Accounting Systems

Article 150 The Company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the relevant national departments.

The Company's fiscal year follows the Gregorian calendar year, which means it starts from January 1st and ends on December 31st of each year.

Article 151 Within 4 months after the end of each fiscal year, the Company shall submit and disclose the annual report to the CSRC and the stock exchange where the Company's shares are listed. Within 2 months after the end of the first 6 months of each fiscal year, the Company shall submit and disclose the semi-annual report to the local branch of the CSRC and the stock exchange where the Company's shares are listed. Within 1 month after the end of the first 3 months and the first 9 months of each fiscal year, the Company shall submit and disclose the quarterly reports to the local branch of the CSRC and the stock exchange where the Company's shares are listed.

The aforementioned regular reports shall be prepared in accordance with relevant laws, administrative regulations, regulations of the CSRC, and the rules of the stock exchange where the Company's shares are listed.

Article 152 The Company shall not establish separate accounting books in addition to the statutory accounting books. The assets of the Company shall not be deposited in an account opened in the name of any individual.

Article 153 When the Company distributes its after-tax profits for the current year, it shall set aside 10% of the profits to be included in the Company's statutory reserve fund. If the accumulated amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, it may no longer be set aside.

If the Company's statutory reserve fund is not sufficient to make up for the losses of previous years, the profits of the current year shall be used to make up for the losses before the statutory reserve fund is set aside in accordance with the provisions of the preceding paragraph. After the Company has set aside the statutory reserve fund from its after-tax profits, it may, by a resolution of the shareholders' meeting, set aside a discretionary reserve fund from its after-tax profits.

The after-tax profits remaining after the Company has made up for its losses and set aside the statutory reserve fund shall be distributed to the shareholders in proportion to the shares they hold, unless the Articles of Association stipulate that they shall not be distributed in proportion to the shares held.

If the shareholders' meeting, in violation of the provisions of the preceding paragraph, distributes profits to the shareholders before the Company has made up for its losses and set aside the statutory reserve fund, the shareholders must return the profits distributed in violation of the provisions to the Company.

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

The Company shall appoint one or more receiving agents in Hong Kong for the H Share shareholders. The receiving agents shall receive and hold on behalf of the relevant H Share shareholders the dividends and other amounts payable by the Company in respect of the H Shares, pending payment to such H Share shareholders. The receiving agents appointed by the Company shall comply with the requirements of laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 154 The Company implements an active profit distribution policy, attaches great importance to reasonable investment returns for shareholders, and the profit distribution policy should maintain continuity and stability.

- (I) Form of profit distribution of the Company: The Company may distribute dividends in cash, stocks or a combination of both, but gives priority to profit distribution in cash.
- (II) Specific conditions and proportion of cash dividends: The Company mainly adopts a profit distribution policy of cash dividends. That is, on the premise that the Company is profitable and its cash can meet the Company's continuous operation and long-term development, and if there is distributable profit after making up losses and extracting statutory reserves in accordance with the laws, then the Company shall distribute cash dividends.

1. The Company's cash dividend policy objectives

Under normal circumstances, the profit distributed by the Company in cash each year shall not be less than thirty percent of the distributable profit realized in that year, and the profit distributed by the Company's controlled subsidiaries in cash dividends shall be implemented in accordance with the foregoing provisions.

If one of the following special circumstances occurs, the Company may not distribute cash dividends:

- (1) The net cash flow from operating activities in the fiscal year is negative;
- (2) The Company has a major external investment plan or a major capital expenditure plan (excluding projects funded by raised funds) in the next twelve months;
- (3) The audit report for the most recent year is a non-unqualified opinion or an unqualified opinion with a paragraph on material uncertainty related to going concern;
- (4) The asset-liability ratio at the end of the most recent fiscal year exceeds 70%;
- (5) Other circumstances where the Board of Directors considers it inappropriate to distribute cash dividends.

The major investment plan or major cash expenditure referred to in the preceding paragraph refers to external investment, acquisition of assets or purchase of equipment and other capital expenditures that need to be reviewed and approved by the Company's shareholders' meeting, and meets one of the following circumstances:

- (1) The total assets involved in the transaction account for more than 30% of the Company's latest audited total assets;
- (2) The operating income related to the subject of the transaction (such as equity) in the most recent fiscal year accounts for more than 50% of the Company's audited operating income in the most recent fiscal year, and the absolute amount exceeds RMB50 million;
- (3) The net profit related to the subject of the transaction (such as equity) in the most recent fiscal year accounts for more than 50% of the Company's audited net profit in the most recent fiscal year, and the absolute amount exceeds RMB5 million;
- (4) The transaction amount (including assumed debts and expenses) accounts for more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;
- (5) The profit generated from the transaction accounts for more than 50% of the Company's audited net profit in the most recent fiscal year, and the absolute amount exceeds RMB5 million.

A major investment plan or major cash expenditure that meets the above conditions must be reviewed by the Board of Directors and submitted to the shareholders' meeting for approval.

The Board of Directors of the Company shall, taking into account factors such as the characteristics of the industry it is in, the stage of development, its own business model, the level of profitability, the ability to repay debts, whether there are arrangements for major capital expenditures, and returns to investors, distinguish the following situations and, in accordance with the procedures stipulated in the Articles of Association, put forward a differentiated cash dividend policy:

- (1) If the Company's development stage is mature and there is no arrangement for significant capital expenditure, when profit distribution is made, the proportion of cash dividends in the profit distribution shall be at least 80%;
- (2) If the Company's development stage is mature and there are arrangements for significant capital expenditures, when profit distribution is made, cash dividends shall be at least 40% of the profit distribution;
- (3) If the Company is in the growth stage and has significant capital expenditure arrangements, the minimum proportion of cash dividends in the profit distribution shall be at least 20%;

The stage of development that the Company is in shall be determined by the Board of Directors of the Company according to specific circumstances.

If it is not easy to distinguish the stage of development of the Company but there are arrangements for significant capital expenditures, it can be handled in accordance with the provisions of the preceding item.

2. Procedure for formulating specific cash dividend plans

When formulating a specific cash dividend plan, the Board of Directors of the Company shall carefully study and demonstrate the timing, conditions and minimum proportion of the Company's cash dividends, the conditions for adjustment and the requirements of its decision-making procedures.

If an independent non-executive director believes that a specific cash dividend plan may harm the interests of the Company or small and medium-sized shareholders, he/she shall have the right to express an independent opinion. If the Board of Directors does not adopt or does not fully adopt the opinion of the independent non-executive director, it shall record the opinion of the independent non-executive director and the specific reasons for not adopting it in the resolution of the Board of Directors and disclose it.

Before the shareholders' meeting considers a specific cash dividend plan, the Company shall actively communicate and exchange with shareholders, especially small and medium-sized shareholders, through various channels, fully listen to the opinions and demands of small and medium-sized shareholders, and timely answer the questions that small and medium-sized shareholders are concerned about.

- (III) Specific conditions for the Company to issue stock dividends: When the Company's accumulated undistributed profits exceed 120% of the total share capital of the Company, the Company may distribute profits in the form of stock dividends. When determining the specific amount of stock dividends, the Company should fully consider whether the total share capital of the Company after the distribution of stock dividends is in line with the current business scale and the speed of profit growth of the Company, and also consider the impact on the cost of future debt financing, so as to ensure that the distribution plan conforms to the overall interests of all shareholders.
- (IV) Interval between profit distributions: Annual dividends are generally distributed, and the Board of Directors of the Company may also propose interim cash dividends based on the Company's funding requirements.

When the Company holds the annual shareholders' meeting to review the annual profit distribution plan, it can review and approve the conditions, the upper limit of the proportion, the upper limit of the amount, etc. of the interim cash dividends in the next year. The upper limit of the interim dividends in the next year reviewed by the annual shareholders' meeting should not exceed the net profit attributable to the Company's shareholders during the corresponding period. The Board of Directors shall formulate specific interim dividend distribution plans under the condition of conforming to the profit distribution according to the resolutions of the shareholders' meeting.

The Board of Directors of the Company shall disclose the profit distribution plan and the usage plan arrangements or principles of the retained undistributed profits in the regular reports. The undistributed profits retained after the completion of the profit distribution of the Company in the current year shall be used to develop the Company's main business.

- (V) Review procedures for profit distribution: At the meetings of the Board of Directors and the Board of Supervisors that review the Company's profit distribution plan, the plan must be approved by more than half of all directors and more than half of all supervisors respectively before it can be submitted to the Company's shareholders' meeting for consideration.

The Company's profit distribution plan shall be approved by more than half of the shareholders (including proxies) present at the shareholders' meeting. The Company shall provide shareholders with an online voting method at the shareholders' meeting that reviews the dividend distribution.

When the Company adjusts the plan for the use of retained undistributed profits, it shall be re-submitted to the Board of Directors and the shareholders' meeting for approval, and the reasons for the adjustment shall be detailed and explained in the relevant proposal.

If the Board of Directors of the Company does not make a cash profit distribution plan, it should consult the opinion of the Board of Supervisors and disclose the reasons in the regular report.

- (VI) Adjustment of profit distribution policy: The Company's profit distribution policy shall not be changed at will, and the cash dividend policy determined in the Articles of Association and the specific cash dividend plan approved by the shareholders' meeting shall be strictly implemented. If the external business environment or its own business conditions change significantly and it is necessary to adjust the profit distribution policy, the Board of Directors of the Company shall fully discuss with external supervisors (if any) in the process of amending the profit distribution policy, and fully consider the opinions of small and medium-sized shareholders. At the meetings of the Board of Directors and the Board of Supervisors that review the amendment of the Company's profit distribution policy, the amendment must be approved by more than half of all directors and more than half of all supervisors respectively before it can be submitted to the Company's shareholders' meeting for consideration. The Company shall, with the protection of shareholders' rights and interests as the starting point, detail and demonstrate the reasons for the amendment in the proposal submitted to the shareholders' meeting, and the Board of Supervisors shall express its opinion on the reasonableness of the amendment of the profit distribution plan.

The amendment of the Company's profit distribution policy needs to be submitted to the Company's shareholders' meeting for consideration, and shall be approved by more than two-thirds of the shareholders (including proxies) present at the shareholders' meeting, and shall be approved by more than half of the public shareholders (including proxies) present at the shareholders' meeting, and the reasons for the adjustment shall be disclosed in the regular report. When the shareholders' meeting votes, online voting shall be arranged.

A significant change in the external business environment or its own business conditions refers to the following circumstances:

1. A major change in the laws, regulations and industry policies formulated by the state, resulting in the Company's operating losses not due to its own reasons;
2. The occurrence of force majeure factors such as earthquakes, typhoons, floods, wars, etc. that cannot be foreseen, avoided and overcome, which have a major adverse impact on the Company's production and operation, resulting in the Company's operating losses;
3. After the Company's statutory reserve fund has made up for the losses of previous years, the net profit realized by the Company in the current year is still not enough to make up for the losses of previous years;
4. Other matters stipulated by the CSRC and the stock exchange where the Company's shares are listed.

- (VII) If a shareholder illegally occupies the Company's funds, the Company shall deduct the cash dividends distributed to the shareholder to repay the funds occupied by him/her.

(VIII) The Company shall disclose in detail in its regular reports the formulation and implementation of its cash dividend policy, explaining whether it complies with the provisions of the Articles of Association or the requirements of the resolutions of the shareholders' meeting, whether the standards and proportions of cash dividends are clear and explicit, whether the relevant decision-making procedures and mechanisms are complete, and if the Company has not distributed cash dividends, it shall disclose the specific reasons and the measures it plans to take to enhance investor returns in the future, whether small and medium-sized shareholders have sufficient opportunities to express their opinions and demands, and whether the legitimate rights and interests of small and medium-sized shareholders have been fully protected. If the cash dividend policy is adjusted or changed, it shall also detail whether the conditions and procedures for the adjustment or change are compliant and transparent.

Article 155 The Company's reserve fund shall be used to make up for the Company's losses, expand production and operation or be converted into an increase in the Company's capital.

The capital reserve fund shall not be used to make up for the Company's losses.

When the shareholders' meeting resolves to convert the statutory reserve fund into capital, the amount of the reserve fund retained shall not be less than 25% of the Company's registered capital before the conversion.

Article 156 After the Company's shareholders' meeting has made a resolution on the profit distribution plan, or after the Company's Board of Directors has formulated a specific plan based on the conditions and upper limit of the interim dividend for the next year reviewed and approved by the annual shareholders' meeting, the Company's Board of Directors must complete the distribution of dividends (or shares) within 2 months after the shareholders' meeting is held.

If the specific plan cannot be implemented within 2 months due to the provisions of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such provisions and the actual situation.

Section 2 Internal Auditing

Article 157 The Company implements an internal audit system and is equipped with professional auditors to conduct internal audit supervision on the Company's financial revenue and expenditures and economic activities.

The Company's internal audit system and the responsibilities of the auditors should be implemented after approval by the Board of Directors. The head of the audit department is accountable to and reports to the audit committee of the Board of Directors.

Section 3 Appointment of Accounting Firm

Article 158 The Company shall engage an accounting firm that meets the requirements of the Securities Law to conduct accounting statement audits, net asset verification and other related consulting services. The term of engagement shall be 1 year, and may be renewed.

Article 159 The appointment, dismissal or non-renewal of an accounting firm by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the shareholders' meeting has made a decision.

Article 160 The Company shall ensure that it provides true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials to the engaged accounting firm, and shall not refuse, conceal or misrepresent them.

Article 161 The remuneration of the accounting firm or the method of determining the remuneration shall be decided by the shareholders' meeting.

Article 162 When the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm 60 days in advance. When the Company's shareholders' meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to state its opinion.

If an accounting firm proposes to resign, it shall explain to the shareholders' meeting whether there is any impropriety on the part of the Company.

CHAPTER IX NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 163 The notices of the Company shall be issued in the following forms:

- (I) by personal delivery;
- (II) by mail;
- (III) by public announcement;
- (IV) by fax or email;
- (V) by other forms recognized by the relevant regulatory authorities of the place where the Company's shares are listed or stipulated in the Articles of Association.

Article 164 A notice issued by the Company by way of public announcement shall be deemed to have been received by all relevant persons once it is announced.

The term "announcement" as used in the Articles, unless the context otherwise requires, means, in the case of an announcement to A share shareholders or an announcement required to be made in the PRC under relevant regulations and the Articles, the publication of information on the website of the Shanghai Stock Exchange and in media that meet the requirements of the CSRC; in the case of an announcement to H Share shareholders or an announcement required to be made in Hong Kong under relevant regulations and the Articles, the announcement must be published on the Company's website, the website of the Hong Kong Stock Exchange and other websites as may be prescribed by the Hong Kong Listing Rules from time to time in accordance with the relevant requirements of the Hong Kong Listing Rules.

With respect to the manner in which the Company provides and/or distributes corporate communications to H Share shareholders as required by the securities regulatory rules of the place where the shares are listed, the Company may, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, also send or make available corporate communications to H Share shareholders by electronic means or by publishing information on the Company's website or the website of the stock exchange where the Company's shares are listed, in lieu of sending corporate communications to H Share shareholders by personal delivery or by prepaid mail.

Article 165 The notice of a shareholders' meeting of the Company shall be given by public announcement.

Article 166 The notice of a meeting of the Board of Directors and the Board of Supervisors of the Company shall be given by personal delivery, mail or fax.

Article 167 If a notice of the Company is given by personal delivery, the date of delivery shall be the date of signature (or seal) of the recipient on the delivery receipt; if a notice of the Company is given by mail, the date of delivery shall be the 7th working day from the date of delivery to the post office; if a notice of the Company is given by public announcement, the date of delivery shall be the date of the first publication of the announcement; if a notice of the Company is given by fax or email, the date of delivery shall be the date of confirmation of receipt of the notice of the meeting by the person notified.

Article 168 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

Section 2 Announcements

Article 169 The Company shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, establish a continuous information disclosure system to disclose information in a true, accurate, complete and timely manner.

Article 170 The information disclosed by the Company shall be easy to understand and accessible to users in a convenient and economical way (such as the Internet).

Article 171 The Secretary to the Board of Directors of the Company shall be responsible for information disclosure matters, including establishing an information disclosure system, receiving visitors, answering inquiries, contacting shareholders, and providing investors with publicly disclosed information of the Company. The Board of Directors and the management shall actively support the work of the Secretary to the Board of Directors. No institution or individual shall interfere with the work of the Secretary to the Board of Directors.

Article 172 The Company shall, in accordance with the provisions of laws and administrative regulations, disclose information on corporate governance, including but not limited to:

- (I) the personnel and composition of the Board of Directors and the Board of Supervisors;
- (II) the work and evaluation of the Board of Directors and the Board of Supervisors;

- (III) the work and evaluation of independent non-executive directors, including the attendance of independent non-executive directors at Board meetings, the expression of independent opinions and their opinions on related party transactions, the appointment and removal of directors and senior management personnel, etc.;
- (IV) the actual situation of corporate governance;
- (V) specific plans and measures to improve corporate governance.

Article 173 The Company designates the website of the Shanghai Stock Exchange, the Shanghai Securities News, the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website as the media for publishing the Company's announcements and other information that needs to be disclosed.

CHAPTER X MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 174 A merger of the Company may take the form of a merger by absorption or a merger by new establishment.

A merger by absorption is where one company absorbs other companies, and the absorbed companies are dissolved. A merger by new establishment is where two or more companies merge to establish a new company, and the merging parties are dissolved.

Article 175 In a merger of companies, the merging parties shall execute a merger agreement and prepare the balance sheet and property list. The Company shall notify their creditors within 10 days of adopting merger resolutions, and shall publish the announcement within 30 days on the Shanghai Securities News and the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk). Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

Article 176 In the event of a merger of companies, the debts and liabilities of the merging parties shall be assumed by the surviving Company or the newly established Company after the merger.

Article 177 If the Company is to be divided, its assets shall be divided accordingly.

In a division of the Company, a balance sheet and a property list shall be prepared. The Company shall notify its creditors within 10 days of the date on which the division resolution is adopted, and shall publish the announcement within 30 days on the Shanghai Securities News and the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk).

Article 178 The debts of a Company prior to its separation shall be jointly and severally liable to the Company after separation. However, unless otherwise agreed in the written agreement reached between the Company and the creditors on the settlement of debts before the separation.

Article 179 When the Company needs to reduce its registered capital, it must prepare the balance sheet and property list.

The Company shall notify its creditors within 10 days as of the date of making the resolution on reducing the registered capital, and shall announce it on Shanghai Securities News and the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 30 days. Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

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

Article 180 If the Company merges or divides and the registered items are changed, it shall apply for change of registration with the company registration authority in accordance with the laws; if the Company is dissolved, it shall apply for cancellation of registration of the Company in accordance with the laws; if a new company is established, it shall apply for establishment registration of the Company in accordance with the laws.

If the Company increases or reduces its registered capital, it shall apply for change of registration with the company registration authority in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 181 The Company shall be dissolved for the following reasons:

- (I) the term of business operation expires as specified by the Articles of Association or other matters leading to dissolution occur as specified by the Articles of Association;
- (II) the shareholders' meeting resolves to dissolve the Company;
- (III) dissolution is necessary as a result of the merger or division of the Company;
- (IV) the Company's business license is revoked or it is ordered to close down or it is deregistered according to laws;
- (V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders' voting rights of the Company may petition the people's court at the place of the Company's registration to dissolve the Company.

Article 182 In the event of the circumstances specified in Article 181(I) and (II) of the Articles of Association, and if the property has not been distributed to the shareholders, the Company may continue its existence by amending the Articles of Association or by a resolution of the shareholders' meeting. Amendments to the Articles of Association or resolutions of the shareholders' meeting in accordance with the preceding paragraph must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting. If the Company is dissolved due to the reasons specified in Article 181(I), (II), (IV) and (V) of the Articles, a liquidation committee shall be established within 15 days to commence liquidation. The liquidation committee shall be composed of directors or persons determined by the shareholders' meeting. If a liquidation committee is not formed to carry out liquidation within the time limit, creditors may apply to the people's court to appoint relevant persons to form a liquidation committee to carry out the liquidation.

Article 183 The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (I) to notify or announce to creditors;
- (II) to liquidate the Company's property, prepare a balance sheet and a property list;
- (III) to deal with the unfinished business of the Company related to the liquidation;
- (IV) to pay off the taxes owed;
- (V) to liquidate claims and debts;
- (VI) to distribute the remaining property of the Company after paying off the debts;
- (VII) to represent the Company in civil litigation.

Article 184 The liquidation committee shall notify creditors within 10 days of its establishment, and shall announce it on Shanghai Securities News and the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement. When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims. During the period of declaration of claims, the liquidation committee shall not repay the debts to creditors.

Article 185 After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders' meeting or the people's court at the place of the Company's registration for confirmation.

Article 186 The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts shall be distributed by the Company to the shareholders in proportion to the shares they hold. During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

Article 187 If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court at the place of the Company's registration for a declaration of bankruptcy in accordance with the laws.

After the people's court has ruled to declare the Company bankrupt, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the people's court.

Article 188 After the liquidation of the Company is completed, the liquidation committee shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court at the place of the Company's registration for confirmation, and submit it to the company registration authority to apply for cancellation of the Company's registration and announce the termination of the Company.

Article 189 The members of the liquidation committee shall be loyal to their duties, perform their liquidation obligations in accordance with the laws, and shall not use their power to accept bribes or other illegal income, and shall not embezzle the property of the Company.

If the members of the liquidation committee cause losses to the Company or creditors due to intentional or gross negligence, they shall be liable for compensation.

Article 190 If the Company is declared bankrupt in accordance with the laws, the bankruptcy liquidation shall be carried out in accordance with the laws on enterprise bankruptcy.

CHAPTER XI AMENDMENT TO THE ARTICLES OF ASSOCIATION

Article 191 In any of the following circumstances, the Company shall amend the Articles of Association:

- (I) after the Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed are amended, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;
- (II) the circumstances of the Company have changed, which are inconsistent with the matters recorded in the Articles of Association;
- (III) the shareholders' meeting decides to amend the Articles of Association.

Article 192 If the matters regarding the amendment of the Articles of Association approved by the resolutions of the shareholders' meeting involve the items subject to Company registration, the alteration registration shall be handled in accordance with the laws.

If the matters regarding the amendment of the Articles of Association are information required to be disclosed by laws and administrative regulations, they shall be announced in accordance with the regulations.

CHAPTER XII SUPPLEMENTARY PROVISIONS

Article 193 Definitions

- (I) “Controlling shareholder” refers to a shareholder who holds more than 50% of the total share capital of the Company; a shareholder whose shareholding ratio is less than 50% but whose voting rights enjoyed by virtue of the shares held are sufficient to have a significant impact on the resolutions of the shareholders’ meeting, or a controlling shareholder as defined by the securities regulatory rules of the place where the Company’s shares are listed;
- (II) “Actual controller” refers to a natural person, legal person or other organization that is not a shareholder of the Company but can actually control the behavior of the Company through investment relationships, agreements or other arrangements;
- (III) “Affiliated relationship” refers to the relationship between the Company’s controlling shareholder, actual controller, directors, supervisors, senior management personnel and the enterprises directly or indirectly controlled by them, as well as other relationships that may lead to the transfer of the Company’s interests. However, state-controlled enterprises are not affiliated merely because they are both controlled by the state.

Article 194 The Board of Directors may, in accordance with the provisions of the Articles of Association, formulate detailed rules for the Articles of Association. The detailed rules for the Articles of Association shall not conflict with the provisions of the Articles of Association.

Article 195 The Articles are written in Chinese. In case of any discrepancy between any other language version or different version of the Articles and the Articles, the Chinese version of the Articles last approved and registered with the Administration for Industry and Commerce shall prevail.

Article 196 For the purposes of the Articles of Association, “more than”, “within”, “less than”, “not exceeding”, “shall not exceed”, and “up to” are inclusive of the number itself; “less than”, “other than”, and “after” are exclusive of the number itself.

Article 197 The Board of Directors of the Company shall be responsible for the interpretation of the Articles of Association, and their revision shall be reviewed and approved by the shareholders’ meeting of the Company.

Article 198 The Articles of Association shall, upon approval by the shareholders’ meeting, take effect from the date on which the H Shares issued by the Company are listed on the Hong Kong Stock Exchange.

NINGBO JOYSON ELECTRONIC CORP.
December 6, 2024