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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in ContiOcean Environment Tech Group Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



**上海匯舸環保科技集團股份有限公司**  
**CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2613)**

- (1) PROPOSED CHANGE OF AUDITOR;**
- (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ABOLITION OF SUPERVISORY COMMITTEE;**
- (3) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE GENERAL MEETING AND THE RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS;**
- (4) PROPOSED RE-ELECTION OF DIRECTORS;**
- (5) PROPOSED REMUNERATION SCHEME FOR THE SECOND SESSION OF THE BOARD OF DIRECTORS;**
- (6) ACQUISITION OF VESSELS;**
- (7) PROVISION OF RELATED-PARTY GUARANTEES TO WHOLLY-OWNED SUBSIDIARIES;**  
**AND**
- (8) NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING**

Capitalized terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed "DEFINITIONS" of this circular.

The Company will convene and hold the EGM at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on 6 January 2026 at 10:00 a.m., the notice of which is set out on pages 173 to 175 of this circular. The proxy form for use at the EGM is enclosed herein, which was also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.contioceangroup.com](http://www.contioceangroup.com)).

If you intend to attend the EGM by proxy, you are required to duly complete the accompanying form of proxy according to the instructions printed thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 10:00 a.m. on 5 January 2026 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

Reference to times and dates in this circular are to Hong Kong local times and dates.

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*This circular has been prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.*

## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following respective meanings:*

“2024 Annual Report”	the annual report of the Group for the financial year ended 31 December 2024
“2025 Interim Report”	the interim report of the Group for the six months ended 30 June 2025
“Banking Day(s)”	the “Banking Days” as defined in the Memoranda of Agreement, respectively
“Beryl River”	Beryl River Shipping Limited, a company incorporated in the Marshall Islands with limited liability, which is an Independent Third Party to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry
“Board”	the board of Directors
“Buyers”	the OM Shanghai Buyer and the OM Singapore Buyer
“Cancelling Date”	the cancelling date set out in the Memoranda of Agreement, respectively
“Company”	ContiOcean Environment Tech Group Co., Ltd. (上海匯舸環保科技集團股份有限公司) (stock code: 2613), a joint stock company incorporated in the PRC with limited liability
“Company Law”	the Company Law of the People’s Republic of China
“Consideration”	US\$28,750,000 (equivalent to approximately HK\$224,250,000) in aggregate
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the 2026 first extraordinary general meeting of the Company to be held on 6 January 2026
“Global Offering”	the offering of H Shares by the Company as more particularly described in the Prospectus
“Group”	the Company and its subsidiaries

## DEFINITIONS

“H Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are listed on the Stock Exchange
“H Shareholder(s)”	the holder(s) of the H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	any person or company who is not a connected person of the Company and is a third party independent of the Company and its connected persons in accordance with the Listing Rules
“Latest Practicable Date”	14 December 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Memoranda of Agreement”	the OM Shanghai Memorandum of Agreement and the OM Singapore Memorandum of Agreement
“NEEQ Delisting”	the delisting of the Company’s domestic shares from the National Equities Exchange and Quotations Co., Ltd., which became effective on 27 August 2025
“OM Shanghai Inc”	OM Shanghai Inc., a corporation in Marshall Islands
“OM Shanghai”	a vessel named OM SHANGHAI, registered under the law and flag of Marshall Islands
“OM Shanghai Buyer”	CO Pioneer Shipping Co., Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
“OM Shanghai Memorandum of Agreement”	the memorandum of agreement dated 15 December 2025 entered into between the OM Shanghai Buyer and the OM Shanghai Seller in relation to the sale and delivery of OM Shanghai
“OM Shanghai Seller”	OM Shanghai Inc
“OM Singapore”	a vessel named OM SINGAPORE, registered under the law and flag of Liberia

## DEFINITIONS

“OM Singapore Buyer”	Contiocean Tankers Company Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability
“OM Singapore Memorandum of Agreement”	the memorandum of agreement dated 15 December 2025 entered into between the OM Singapore Buyer and the OM Singapore Seller in relation to the sale and delivery of OM Singapore
“OM Singapore Seller”	Singapore Tankers
“Prospectus”	the prospectus of the Company dated 31 December 2024
“PRC”	the People’s Republic of China (which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan)
“R&D”	research and development
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure”	the Rules of Procedure for the Board and the Rules of Procedure for the General Meeting
“Rules of Procedure for the Board”	the rules of procedure for the board of directors of the Company
“Rules of Procedure for the General Meeting”	the rules of procedure for the general meeting of the Company
“Sellers”	the OM Shanghai Seller and the OM Singapore Seller
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	the holder(s) of the Share(s)
“Silver River”	Silver River Shipping Limited, a company incorporated in the Marshall Islands with limited liability, which is an Independent Third Party to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry
“Singapore Tankers”	Singapore Tankers LLC, a company incorporated in Liberia with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisory Committee”	the supervisory committee of the Company

## DEFINITIONS

“Transaction”	acquisition of the Vessels pursuant to the terms of the Memoranda of Agreement
“US\$”	United States dollars, the lawful currency of the United States
“United States”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“Vessels”	OM Shanghai and OM Singapore
“%”	per cent.

*In this circular, US\$ to HK\$ is calculated based on an exchange rate (for illustration purposes only) of US\$1 = HK\$7.8.*

LETTER FROM THE BOARD



上海匯舸環保科技集團股份有限公司  
**CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2613)**

*Executive Directors:*

Mr. Zhou Yang  
Mr. Zhao Mingzhu  
Mr. Chen Zhiyuan  
Mr. Shu Wa Tung, Laurence  
Mr. Chen Rui

*Independent Non-executive Directors:*

Mr. Zhu Rongyuan  
Dr. Guan Yanmin  
Ms. Ng Sin Kiu

*Registered Office:*

Room 1101, No. 2 Maji Road  
China (Shanghai) Pilot Free Trade Zone  
Shanghai

*Head Office and Principal Place of  
Business in the PRC:*

Unit 3002, 30/F,  
South Tower,  
Shanghai International Fortune Center,  
No. 36 Xin Jin Qiao Road,  
Pudong New District,  
Shanghai

*Principal Place of*

*Business in Hong Kong:*

Office No. 2506, 25th Floor  
Landmark South  
39 Yip Kan Street  
Wong Chuk Hang  
Hong Kong

15 December 2025

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED CHANGE OF AUDITOR;
- (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND  
ABOLITION OF SUPERVISORY COMMITTEE;
- (3) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE GENERAL  
MEETING AND THE RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS;
- (4) PROPOSED RE-ELECTION OF DIRECTORS;
- (5) PROPOSED REMUNERATION SCHEME FOR THE SECOND SESSION  
OF THE BOARD OF DIRECTORS;
- (6) ACQUISITION OF VESSELS;
- (7) PROVISION OF GUARANTEE TO WHOLLY-OWNED SUBSIDIARIES;  
AND
- (8) NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

## LETTER FROM THE BOARD

### I. INTRODUCTION

The EGM will be convened and held at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on 6 January 2026 at 10:00 a.m. (Hong Kong time), the notice of which is set out on pages 173 to 175 of this circular.

The purpose of this circular is to provide you with the information reasonably necessary on relevant resolutions to be considered at the EGM, so as to enable you to make an informed decision on whether to vote for or against such resolutions.

### II. MATTERS TO BE RESOLVED AT THE EGM

Resolutions to be proposed at the EGM for the Shareholders' consideration and approval by way of special resolutions include:

- (1) the acquisition of the Vessels by the Company, which is of a value exceeding 30% of the Company's latest audited total assets; and
- (2) the proposed amendments to the Articles of Association and abolition of Supervisory Committee.

Resolutions to be proposed at the EGM for the Shareholders' consideration and approval by way of ordinary resolutions include:

- (3) the appointment of Fan, Chan & Co. Limited as the new auditor of the Company to hold office until the conclusion of the forthcoming annual general meeting of the Company;
- (4) the proposed amendments to the Rules of Procedure for the General Meeting and the rules of procedure of the Board of Directors;
- (5) the proposed re-election of Directors, namely:
  - (a) the re-election of Mr. Zhou Yang as an executive director;
  - (b) the re-election of Mr. Zhao Mingzhu as an executive director;
  - (c) the re-election of Mr. Chen Zhiyuan as an executive director;
  - (d) the re-election of Mr. Shu Wa Tung, Laurence as an executive director;
  - (e) the re-election of Mr. Chen Rui as an executive director;
  - (f) the re-election of Dr. Guan Yanmin as an independent non-executive director;
  - (g) the re-election of Mr. Zhu Rongyuan as an independent non-executive director; and



## LETTER FROM THE BOARD

- (h) the re-election of Ms. Ng Sin Kiu as an independent non-executive director;
- (6) the proposed remuneration scheme for the second session of the Board of Directors; and
- (7) the provision of related-party guarantees by the Company to wholly-owned subsidiaries for the acquisition of the Vessels.

Details of the matters to be resolved at the EGM are set out in the notice of the EGM on pages 173 to 175 of this circular. To enable you to get a better understanding of the resolutions to be proposed at the EGM and make informed decisions with sufficient and necessary information, we have provided particulars thereon in this circular.

### Special Resolutions

#### *(1) Acquisition of the Vessels*

The key terms of the Memoranda of Agreement are as follows:

#### **OM SHANGHAI MEMORANDUM OF AGREEMENT**

***Date:*** 15 December 2025

***Parties:*** (1) the OM Shanghai Buyer; and  
(2) OM Shanghai Inc (as the OM Shanghai Seller).

***Asset to be acquired:*** OM Shanghai.

As at the date of the OM Shanghai Memorandum of Agreement, OM Shanghai is legally and beneficially owned by Silver River. The sale and delivery of OM Shanghai by Silver River to the OM Shanghai Seller under a separate memorandum of agreement between Silver River and the OM Shanghai Seller will occur simultaneously with the sale and delivery of OM Shanghai by the OM Shanghai Seller to the OM Shanghai Buyer.

Pursuant to the OM Shanghai Memorandum of Agreement, the OM Shanghai Seller shall deliver OM Shanghai to the OM Shanghai Buyer free from all charters, encumbrances, mortgages and maritime liens or any other debts, and the OM Shanghai is not subject to Port State or other administrative detentions.

## LETTER FROM THE BOARD

***Consideration:***

US\$15,000,000 (equivalent to approximately HK\$117,000,000), which was determined after arm's length negotiations between the OM Shanghai Buyer and the OM Shanghai Seller, having taken into account factors including:

- (1) prices of similar vessels available for sale in the market;
- (2) the recently concluded sale and purchase transactions of second-hand vessels of comparable type, size, condition of maintenance and year of build conducted in the market; and
- (3) the technical specifications, design, and performance of OM Shanghai.

The Consideration will be funded by internal resources of the Group, with a substantial portion of the Consideration funded by part of the proceeds from the Global Offering as disclosed in the Prospectus, as well as external loan facilities. For further details, please refer to the section headed "Use of Proceeds from the Global Offering" below.

***Payment terms:***

The Consideration shall be paid by the OM Shanghai Buyer to the OM Shanghai Seller in the following manner:

- (1) US\$3,000,000 as the deposit, to be lodged into escrow within three calendar weeks after the date that (i) the OM Shanghai Memorandum of Agreement has been signed and exchanged; and (ii) the escrow account has been opened, and to be released to Silver River and the OM Shanghai Seller on delivery pursuant to joint written instructions and in such proportion as agreed between Silver River and the OM Shanghai Seller; and

<b>LETTER FROM THE BOARD</b>
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- (2) the remaining balance of the purchase price, to be lodged into escrow one Banking Day prior to the expected delivery date and, together with the deposit, to be released unconditionally to the designated accounts of Silver River and the OM Shanghai Seller against the release instructions of the OM Shanghai Buyer and the OM Shanghai Seller in such proportion as agreed between Silver River and the OM Shanghai Seller.

***Guarantee:***

The Company shall enter into a letter of guarantee in favour of the OM Shanghai Seller to guarantee the performance and all obligations of the OM Shanghai Buyer under the OM Shanghai Memorandum of Agreement.

***Cancellation:***

*Cancellation by the OM Shanghai Seller*

Should the deposit and/or the balance of the purchase price not be paid by the OM Shanghai Buyer in accordance with the terms and conditions of the OM Shanghai Memorandum of Agreement, the OM Shanghai Seller has the right to cancel the OM Shanghai Memorandum of Agreement, in which case (where the deposit has been paid) the deposit together with interest earned, if any, shall be retained by the OM Shanghai Seller, without prejudice to the right to claim further losses to the extent not covered by the deposit(s).

## LETTER FROM THE BOARD

### *Cancellation by the OM Shanghai Buyer*

If the OM Shanghai Seller anticipates that OM Shanghai will not be ready for delivery by the Cancelling Date, they may notify the OM Shanghai Buyer in writing stating the date when it is anticipated that the OM Shanghai will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification, the OM Shanghai Buyer shall have the option of either (1) cancelling the OM Shanghai Memorandum of Agreement within three Banking Days of receipt of the notice with the deposit being returned to the OM Shanghai Buyer together with interest earned (if any); or (2) accepting the new date as the new Cancelling Date. If the OM Shanghai Buyer has not declared its option within three Banking Days of receipt of the notification or if the OM Shanghai Buyer accepts the new Cancelling Date, the date proposed in the notification shall be deemed to be the new Cancelling Date.

The OM Shanghai Buyer may also cancel the OM Shanghai Memorandum of Agreement if the legal transfer fails to be ready to be validly completed by the Cancelling Date, or if OM Shanghai ceases to be physically ready for delivery before the OM Shanghai Buyer has taken delivery and is not made physically ready by the Cancelling Date. If the OM Shanghai Buyer elects to cancel the OM Shanghai Memorandum of Agreement, the deposit together with interest earned, if any, as well as any applicable losses and expenses, shall be repaid to the OM Shanghai Buyer.

## LETTER FROM THE BOARD

### OM SINGAPORE MEMORANDUM OF AGREEMENT

**Date:** 15 December 2025

**Parties:** (1) the OM Singapore Buyer; and  
(2) Singapore Tankers (as the OM Singapore Seller).

**Asset to be acquired:** OM Singapore.

As at the date of the OM Singapore Memorandum of Agreement, OM Singapore is legally and beneficially owned by Beryl River. The sale and delivery of OM Singapore by Beryl River to the OM Singapore Seller under a separate memorandum of agreement between Beryl River and the OM Singapore Seller will occur simultaneously with the sale and delivery of OM Singapore by the OM Singapore Seller to the OM Singapore Buyer.

Pursuant to the OM Singapore Memorandum of Agreement, the OM Singapore Seller shall deliver OM Singapore to the OM Singapore Buyer free from all charters, encumbrances, mortgages and maritime liens or any other debts, and OM Singapore is not subject to Port State or other administrative detentions.

**Consideration:** US\$13,750,000 (equivalent to approximately HK\$107,250,000), which was determined after arm's length negotiations between the OM Singapore Buyer and the OM Singapore Seller, having taken into account factors including:

- (1) prices of similar vessels available for sale in the market;
- (2) the recently concluded sale and purchase transactions of second-hand vessels of comparable type, size, condition of maintenance and year of build conducted in the market; and
- (3) the technical specifications, design, and performance of OM Singapore.

## LETTER FROM THE BOARD

The Consideration will be funded by internal resources of the Group, with a substantial portion of the Consideration funded by part of the proceeds from the Global Offering as disclosed in the Prospectus, as well as external loan facilities. For further details, please refer to the section headed “Use of Proceeds from the Global Offering” below.

***Payment terms:***

The Consideration shall be paid by the OM Singapore Buyer to the OM Singapore Seller in the following manner:

- (1) US\$2,750,000 as deposit to be lodged into escrow within three calendar weeks after the date that (i) the OM Singapore Memorandum of Agreement has been signed and exchanged; and (ii) the escrow account has been opened, and to be released to Beryl River and the OM Singapore Seller on delivery pursuant to joint written instruction and in such proportion as agreed between Beryl River and the OM Singapore Sellers; and
- (2) the remaining balance of the purchase price, to be lodged into escrow one Banking Day prior to the expected delivery date and, together with the deposit, to be released unconditionally to the designated accounts of Beryl River and the OM Singapore Seller against the release instructions of the OM Singapore Buyer and the OM Singapore Seller in such proportion as agreed between Beryl River and the OM Singapore Seller.

***Guarantee:***

The Company shall enter into a letter of guarantee in favour of the OM Singapore Seller to guarantee the performance and all obligations of the OM Singapore Buyer under the OM Singapore Memorandum of Agreement.

## LETTER FROM THE BOARD

### ***Cancellation:***

#### *Cancellation by the OM Singapore Seller*

Should the deposit and/or the balance of the purchase price not be paid by the OM Singapore Buyer in accordance with the terms and conditions of the OM Singapore Memorandum of Agreement, the OM Singapore Seller has the right to cancel the OM Singapore Memorandum of Agreement, in which case (where the deposit has been paid) the deposit together with interest earned, if any, shall be retained by the OM Singapore Seller, without prejudice to the right to claim further losses to the extent not covered by the deposit(s).

#### *Cancellation by the OM Singapore Buyer*

If the OM Singapore Seller anticipates that OM Singapore will not be ready for delivery by the Cancelling Date, they may notify the OM Singapore Buyer in writing stating the date when it is anticipated that OM Singapore will be ready for delivery and proposing a new Cancelling Date. Upon receipt of such notification, the OM Singapore Buyer shall have the option of either (1) cancelling the OM Singapore Memorandum of Agreement within three Banking Days of receipt of the notice with the deposit being returned to the OM Singapore Buyer together with interest earned (if any); or (2) accepting the new date as the new Cancelling Date. If the OM Singapore Buyer has not declared its option within three Banking Days of receipt of the notification or if the OM Singapore Buyer accepts the new Cancelling Date, the date proposed in the notification shall be deemed to be the new Cancelling Date.

The OM Singapore Buyer may also cancel the OM Singapore Memorandum of Agreement if the legal transfer fails to be ready to validly completed by the Cancelling Date, or if OM Singapore ceases to be physically ready for delivery before the OM Singapore Buyer has taken delivery and is not made physically ready by the Cancelling Date. If the OM Singapore Buyer elects to cancel the OM Singapore Memorandum of Agreement, the deposit together with interest earned, if any, as well as any applicable losses and expenses, shall be repaid to the OM Singapore Buyer.

## LETTER FROM THE BOARD

### REASONS FOR AND BENEFITS OF THE TRANSACTION

The Directors believe that the Transaction is in line with the Group's strategic objectives and will deliver significant benefits to the Group and its Shareholders as a whole.

The Transaction represents the vessel acquisition as contemplated in the Prospectus. A substantial portion of the Consideration shall be funded by part of the proceeds from the Global Offering as disclosed in the Prospectus. The Transaction aligns with the Company's stated objectives in the Prospectus, supporting the Company's intention to establish the Company's maritime R&D platform and mobile exhibition platform for the Company's equipment and system offerings, as well as pipeline products. The Vessels are intended to be chartered to third parties from time to time in the ordinary course to generate rental income for the Company. In line with the disclosure in the Prospectus, the chartering arrangement will be structured to allow the Group to install its equipment and systems and pipeline products or to perform other necessary activities for maritime R&D purpose, and to require the charterer to cooperate with the Group for the installation and testing of R&D products and allow the Group's target customers to board the ship for visits at certain ports.

The Directors therefore consider that the Transaction will enable the Group to establish the Company's dedicated maritime R&D platform, which is essential for the demonstration, testing, and validation of the Group's proprietary equipment and systems in real-life operational conditions. In particular, the Vessels will serve as the Company's mobile exhibition platform, allowing the Group to reach potential customers at various ports worldwide. During port calls, the Group can demonstrate its equipment and systems in operation, providing a tangible and compelling experience for customers and stakeholders. This is anticipated to accelerate the market introduction of new products and strengthen the Group's competitive position in the maritime equipment sector. Further, installing the prototype equipment and systems developed by the Group on the Vessels to gather operational data can also demonstrate their effectiveness to potential clients. It will also enable customers to experience the features and advantages of the Group's new equipment and systems in operation, rather than through viewing diagrams or models.

In light of the above, the Directors (including the independent non-executive Directors) believe that the terms of the Memoranda of Agreement are fair and reasonable, on normal commercial terms, and in the interests of the Shareholders as a whole.

### INFORMATION ON THE PARTIES

The Company is a joint stock company incorporated in the PRC with limited liability whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 2613). The Group is a maritime environmental protection equipment and system provider serving customers from different regions.

The OM Shanghai Buyer is a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. The OM Shanghai Buyer is principally engaged in international ship transport, ship chartering, shipping agency, and sales of environmental protection equipment for ships and offshore engineering.



## LETTER FROM THE BOARD

The OM Singapore Buyer is a wholly-owned subsidiary of the Company incorporated in Hong Kong with limited liability. The OM Singapore Buyer is principally engaged in international ship investment, chartering, and management.

OM Shanghai Inc is a corporation in Marshall Islands, and is ultimately controlled by OM Maritime Pte Ltd. OM Shanghai Inc is principally engaged in owning and operating OM Shanghai.

Singapore Tankers is a company incorporated in Liberia with limited liability, and is ultimately controlled by OM Maritime Pte Ltd. Singapore Tankers is principally engaged in operating OM Singapore.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of OM Shanghai Inc and Singapore Tankers and their respective ultimate beneficial owners are Independent Third Parties.

### LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated with reference to Rule 14.07 of the Listing Rules in respect of the Transaction is 5% or more but the percentage ratios are all less than 25%, the Transaction constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

The Intended Acquisition was considered and approved by the Board on 15 December 2025. Pursuant to Article 46 of the Company's Articles of Association, as the aggregate consideration exceeds 30% of the Company's latest audited total assets, the acquisition of the Vessels is hereby proposed at the EGM as a special resolution for consideration and approval.

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

Reference is made to (i) the Prospectus in relation to, among other things, the intended use of proceeds from the Global Offering; (ii) the 2024 Annual Report; and (iii) the 2025 Interim Report in relation to, among other things, the disclosures on the utilization of the net proceeds from the Global Offering.

As disclosed in the Prospectus, approximately 35.8% of the net proceeds from the Global Offering were originally allocated for the acquisition (the "**Intended Acquisition**") of a controlling stake in a company holding an ocean-going ship. The intended ship was to be a used bulk carrier or tanker with a deadweight capacity of between 60,000 to 80,000 tons and an age of eight to ten years. The primary purpose of such acquisition was to establish a maritime R&D platform and a mobile exhibition platform for the Company's equipment and system offerings, as well as pipeline products. The Intended Acquisition was intended to be conducted in collaboration with a partner, thereby sharing the financial burden and leveraging the Company's expertise in optimizing the installation of its equipment and systems.

## LETTER FROM THE BOARD

The Board, after careful consideration and detailed evaluation of the Group's operations, business strategies and prevailing market conditions for the sale and purchase of second-hand vessels, has resolved to implement certain modifications to the structure and specifications of the Intended Acquisition. While the modifications to the Intended Acquisition do not represent a material change in the use of proceeds from the Global Offering as disclosed in the Prospectus, the Company, as disclosed under the section headed "Acquisition of Vessels" above, now intends to acquire, independently and without a partner, two chemical tankers each with a deadweight capacity of approximately between 20,000 to 30,000 tons. In addition, the age of each vessel shall be adjusted from the original range of eight to ten years to age 15 years or above. As set out above, the Transaction shall be structured as a direct asset purchase of the Vessels themselves, rather than the acquisition of a controlling stake in a company that holds the vessels.

The Board considers that the revised plan better aligns with the Company's current strategic objectives and prevailing market conditions. The decision to acquire two chemical tankers with smaller deadweight capacities reflects the Company's intention to focus on the development of innovative equipment and systems, including energy-saving devices, in response to the evolving demands and unique needs of shipowners and shipbuilders. The adjustment to the vessels' age criterion is based on a comprehensive assessment of the availability and cost-effectiveness of suitable vessels in the market, enabling the Company to optimize the use of proceeds and reduce capital expenditure. By proceeding with an independent asset acquisition of the Vessels, the Company will have greater flexibility and control over the operation and deployment of the R&D platform, thereby facilitating the timely implementation of its R&D and commercialization activities.

Based on the above, the Board considers that the changes to the structure and specifications of the Intended Acquisition will allow the Company to deploy its financial resources, and particularly, the same amount and portion of the proceeds from the Global Offering, more effectively and is in the interests of the Company and the Shareholders as a whole and will not have any material adverse effect on the existing business and operations of the Group. The Board confirms that there are no material changes in the nature of the business of the Group as set out in the Prospectus.

### FINANCIAL INFORMATION OF THE VESSELS

Based on the information available to the Company: The unaudited net profits attributable to OM Singapore were US\$4,423,643.00 (equivalent to approximately HK\$34,504,415) for the year ended 30 June 2024 and US\$728,948.98 (equivalent to approximately HK\$5,685,802) for the year ended 30 June 2025, and those attributable to OM Shanghai were US\$1,615,682.43 (equivalent to approximately HK\$12,602,323) for the year ended 30 June 2024 and US\$1,863,223.84 (equivalent to approximately HK\$14,533,147) for the year ended 30 June 2025. The unaudited book value of OM Singapore as at 30 June 2025 was US\$14,112,333.95 (equivalent to approximately HK\$110,076,205). The unaudited book value of OM Shanghai as at 30 June 2025 was US\$15,657,222.22 (equivalent to approximately HK\$122,126,333).

## LETTER FROM THE BOARD

### ***(2) Proposed Amendments to the Articles of Association and abolition of Supervisory Committee***

On 29 December 2023, the amendments to the Company Law were adopted, which came into effect on 1 July 2024. The amendments include but not limited to optimising the corporate capital system and organisational structure, enhancement in protection for minority shareholders' rights and interests, strengthening responsibilities for controlling shareholders, directors and senior officers as well as permitting the replacement of supervisory committee with the audit committee. In order to ensure the listed companies can effectively comply with and implement the new requirements of the Company Law, the China Securities Regulatory Commission issued a number of important documents on 28 March 2025, including the revised Guidelines for the Articles of Association of Listed Companies and the Rules for Shareholders' Meetings of Listed Companies.

The current Listing Rules contain provisions in respect of the expansion of the paperless listing regime, which require listed issuers to disseminate corporate communications by electronic means and to ensure that their articles of association enable them to hold shareholders' general meetings, at which shareholders can attend virtually with the use of technology and can cast votes by electronic means.

Reference is also made to the circular of the Company dated 16 July 2025 and the announcement of the Company dated 26 August 2025 in relation to the NEEQ Delisting. Following the NEEQ Delisting, certain provisions in the Articles in relation to, among other things, the registration, transfer and management of the domestic shares of the Company are no longer applicable.

In light of the above, the Board proposed to make certain amendments to its existing Articles of Association (the “**Proposed Amendments to the Articles of Association**”), mainly include but not limited to (1) the abolishment and replacement of the Supervisory Committee by the audit committee of the Board; (2) adjustments to certain functions and powers of shareholders' general meeting and the Board; (3) removing references to domestic shares following the NEEQ Delisting; (4) enhancing protection for shareholders' rights; (5) consequential amendments to the provisions of the Articles of Association in accordance with changes in applicable laws and regulations; and (6) other internal affairs and miscellaneous changes. Once the Proposed Amendments to the Articles of Association become effective upon approval at the EGM, the Supervisory Committee will be abolished, and the positions of members of the Supervisory Committee will be automatically terminated. The Rules of Procedures for the Supervisory Committee will be repealed accordingly.

Details of the Proposed Amendments to the Articles of Association are set out in Appendix I to this circular. Save for the proposed amendments, the other provisions of the Articles of Association remain unchanged. The Proposed Amendments to the Articles of Association were considered and approved by the Board on 15 December 2025, and are hereby proposed at the EGM as a special resolution for consideration and approval. The Proposed Amendments to the Articles of Association shall come into effect upon the

## LETTER FROM THE BOARD

approval of the Shareholders at the EGM. The Board also proposes to authorize any Directors to handle the registration of the Proposed Amendments to the Articles of Association and other related matters.

The Board is of the view that the Proposed Amendments to the Articles of Association will not compromise protection of the Shareholders and will not have material impact on measures relating to shareholder protection. After the Proposed Amendments to the Articles of Association take effect, the Company will continue to comply with Appendix A1 to the Listing Rules to meet the core shareholder protection level through compliance with PRC laws in combination with its Articles of Association and will further monitor its ongoing compliance with these rules.

The legal advisers to the Company as to Hong Kong laws and PRC laws have respectively confirmed that the Proposed Amendments to the Articles of Association comply with the applicable requirements of the Listing Rules and do not contravene the PRC laws. The Company also confirms that there is nothing unusual about the Proposed Amendments to the Articles of Association for a company listed in Hong Kong.

The Articles of Association is written in Chinese and there is no official English translation in respect thereof. The English translation is for reference only. In case of any inconsistency between the English and Chinese versions, the Chinese version shall prevail.

In view of the Proposed Amendments to the Articles of Association, the Board also proposed corresponding amendments to the relevant provisions of the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board. Please refer to section 4 below for further details.

### Ordinary Resolutions

**(3) *The proposed appointment of Fan, Chan & Co. Limited as the new auditor of the Company to hold office until the conclusion of the forthcoming annual general meeting of the Company***

Reference is made to the announcement of the Company dated 7 November 2025 in relation to the resignation of Deloitte Touche Tohmatsu (“**Deloitte**”) and the proposed appointment of Fan, Chan & Co. Limited (“**Fan, Chan & Co.**”) as the auditor of the Company (the “**7 November 2025 Announcement**”).

As disclosed in the 7 November 2025 Announcement, Deloitte has resigned as the auditor of the Company with effect from 7 November 2025 as the Company could not reach a consensus with Deloitte on the audit fee in respect of the audit of the consolidated financial statements of the Group for the year ending 31 December 2025.

Deloitte has confirmed in its letter of resignation that there are no matters in relation to its resignation that need to be brought to the attention of the Shareholders. The Board and the Audit Committee have also confirmed that there is no disagreement between the

## LETTER FROM THE BOARD

Company and Deloitte, and they are not aware of any outstanding matter in connection with the resignation of Deloitte as the auditor of the Company that needs to be brought to the attention of the Shareholders.

As at the date of this circular, Deloitte has not commenced any audit work on the consolidated financial statements of the Group for the financial year ending 31 December 2025.

On 7 November 2025, with the recommendation of the Audit Committee, the Board has resolved to propose the appointment of Fan, Chan & Co. as the new auditor of the Company following the resignation of Deloitte.

The Audit Committee has considered a number of factors in assessing the qualifications and suitability of the appointment of Fan, Chan & Co. as the auditor of the Company, including but not limited to (i) its knowledge and technical competence; (ii) its audit proposal, including audit fee; (iii) its independence from the Group and objectivity; (iv) its resources and capabilities; (v) its reputation in the market; and (vi) the Guidelines for Effective Audit Committees — Selection, Appointment and Reappointment of Auditors and the Guidance Notes on Changes of Auditors issued by the Accounting and Financial Reporting Council. Based on the above, the Audit Committee has concluded that Fan, Chan & Co. is independent, eligible and suitable to act as the auditor of the Company for the annual audit of the Company for the financial year ending 31 December 2025, and has recommended the Board to propose Fan, Chan & Co. to act as the auditor of the Company for the annual audit of the Company for the financial year ending 31 December 2025.

The Board and the Audit Committee are of the view that the proposed change of auditor would not have any material impact on the Group, and is in the interest of the Company and the Shareholders as a whole.

Pursuant to Articles 43(9) and 173 of the Company's Articles of Association, the appointment of a new auditor of the Company is subject to the approval of the Shareholders. The proposed appointment of Fan, Chan & Co. as the new auditor of the Company was considered and approved by the Board on 7 November 2025, and is hereby proposed at the EGM as an ordinary resolution for consideration and approval. The proposed appointment of Fan, Chan & Co. shall take effect from the date of consideration and approval at the EGM and end on the date of the conclusion of the forthcoming annual general meeting of the Company.

#### ***(4) Proposed amendments to the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board***

As explained in section 2 above, in view of the Proposed Amendments to the Articles of Association, the Board also proposed corresponding amendments to the relevant provisions of the Rules of Procedure for the General Meeting and the Rules of Procedure for the Board (the “**Proposed Amendments to the Rules of Procedure**”).

## LETTER FROM THE BOARD

Details of the proposed amendments to the Rules of Procedure for the General Meeting and the proposed amendments to the Rules of Procedure for the Board are set out in Appendix II and Appendix III to this circular, respectively.

The Board considers that the Proposed Amendments to the Rules of Procedure will not change the existing rights of the Company's shareholders and are therefore in the interests of the Company and its Shareholders as a whole. The Proposed Amendments to the Rules of Procedure shall be subject to approval by the Shareholders at the EGM. The Proposed Amendments to the Rules of Procedure were considered and approved by the Board on 15 December 2025, and are hereby proposed at the EGM as an ordinary resolution for consideration and approval. The amended Rules of Procedure shall take effect simultaneously with the amended Articles of Association.

The Rules of Procedure are written in Chinese and there are no official English translations in respect thereof. The English translations are for reference only. In case of any inconsistency between the English and Chinese versions, the Chinese versions shall prevail.

### ***(5) Proposed re-election of Directors***

The Board currently consists of (i) Mr. Zhou Yang, Mr. Zhao Mingzhu, Mr. Chen Zhiyuan, Mr. Shu Wa Tung, Laurence and Mr. Chen Rui as executive directors; and (ii) Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu as independent non-executive directors.

The Board has considered and approved the re-election of the following candidates for Directors of the second session of the Board and proposes:

- a) the re-election of Mr. Zhou Yang as an executive director;
- b) the re-election of Mr. Zhao Mingzhu as an executive director;
- c) the re-election of Mr. Chen Zhiyuan as an executive director;
- d) the re-election of Mr. Shu Wa Tung, Laurence as an executive director;
- e) the re-election of Mr. Chen Rui as an executive director;
- f) the re-election of Dr. Guan Yanmin as an independent non-executive director;
- g) the re-election of Mr. Zhu Rongyuan as an independent non-executive director;  
and
- h) the re-election of Ms. Ng Sin Kiu as an independent non-executive director.

The above candidates meet the qualification requirements to serve as Directors as stipulated in relevant PRC laws, regulations, the Articles of Association and the Listing Rules, and the Board hereby proposes the above list of candidates to be considered and



## LETTER FROM THE BOARD

approved at the EGM by way of ordinary resolutions. The term of office of the above candidates for executive directors and independent non-executive directors shall be three years, and will take effect from the date of approval at the EGM.

Pursuant to Article 111 of the Articles of Association, Directors shall be elected or replaced at the shareholders' meeting for a term of three years. Upon maturity of the tenure of office, a Director shall be eligible to offer himself/herself for re-election and re-appointment.

The Board's Nomination Committee has assessed the candidates in accordance with the criteria set out in the Company's director nomination policies. The Nomination Committee considers that each candidate would contribute skills and hands-on experience in corporate operations and management, with the potential to enhance the Board's operational efficiency and to demonstrate strong commitment to the Company's business. Information of the candidates standing for re-election at the EGM is set out in Appendix IV to this circular.

The Nomination Committee of the Board has also reviewed and assessed the independence of each of Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu based on their confirmations of independence pursuant to the independence guidelines as set out in Rule 3.13 of the Listing Rules. Each of Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu is not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of his independent judgment. In addition, taking into consideration of the diversity perspectives (including but not limited to gender, age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorships held by the relevant individuals, the Board is satisfied that each of Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu remains independent and is of such character, integrity and experience commensurate with the office of independent non-executive Director. The Board believes that they will be able to devote sufficient time to the Board and will continue to provide independent, balanced and objective views to the Company's affairs. In addition, each of Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu has not served more than nine years on the Board.

The Nomination Committee of the Board has also reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the candidates with reference to the nomination principles and criteria set out in the board diversity policy, director nomination policy and the corporate strategy of the Company.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, the interests of the candidates in the Company are as follows:

Name	Nature of Interest	Class of Shares	Number of Shares <sup>(1)</sup>	Approximate percentage of relevant class of share capital (%)	Approximate shareholding percentage in total share capital of the Company (%)
Mr. Zhou Yang <sup>(2)</sup>	Beneficial owner	Non-H Share	9,787,500 (L)	32.63	24.47
		H Share	167,500 (L) <sup>(4)</sup>	1.68	0.42
	Interest in controlled corporation	Non-H Share	2,400,000 (L)	8.00	6.00
	Interest held jointly with another person	Non-H Share	16,312,500 (L)	54.38	40.78
		H Share	335,000 (L)	3.35	0.84
Mr. Zhao Mingzhu <sup>(2)</sup>	Beneficial owner	Non-H Share	8,156,250 (L)	27.19	20.39
		H Share	167,500 (L) <sup>(4)</sup>	1.68	0.42
	Interest in controlled corporation	Non-H Share	2,400,000 (L)	8.00	6.00
	Interest held jointly with another person	Non-H Share	17,943,750 (L)	59.81	44.86
		H Share	335,000 (L)	3.35	0.84
Mr. Chen Zhiyuan <sup>(2)</sup>	Beneficial owner	Non-H Share	8,156,250 (L)	27.19	20.39
		H Share	167,500 (L) <sup>(4)</sup>	1.68	0.42
	Interest in a controlled corporation	Non-H Share	2,400,000 (L)	8.00	6.00
	Interest held jointly with another person	Non-H Share	17,943,750 (L)	59.81	44.86
		H Share	335,000 (L)	3.35	0.84
Mr. Shu Wa Tung, Laurence	Beneficial owner	Non-H Share	1,500,000 (L)	5.00	3.75
		H Share	134,000 (L) <sup>(4)</sup>	1.34	0.34
Mr. Chen Rui	Interest in a controlled corporation <sup>(3)</sup>	Non-H Share	300,000 (L)	1.00	0.75
	Beneficial owner	H Share	201,000 (L) <sup>(4)</sup>	2.01	0.50

*Notes:*

- 1) The letter “L” denotes respectively a “long position” (as defined under Part XV of the SFO) in such Shares.
- 2) Mr. Zhou Yang, Mr. Zhao Mingzhu, and Mr. Chen Zhiyuan are parties acting in concert. In addition, for the purpose of Part XV of the SFO, each of them is deemed to be interested in the 2,400,000 Shares held by ContiOcean Corporate Development LLP (“**ContiOcean Development**”, whose general partner is ContiOcean (Nantong) Environment Industrial Holdings Co., Ltd., a company owned by Mr. Zhou Yang, Mr. Zhao Mingzhu and Mr. Chen Zhiyuan.
- 3) Pursuant to the partnership agreement among the partners of ContiOcean Development (a limited partnership that holds 2,400,000 Shares), Mr. Chen Rui is interested in 12.50% interest in the partnership. Mr. Chen Rui is deemed to be proportionately interested in the corresponding 300,000 Shares, held by ContiOcean Development.



## LETTER FROM THE BOARD

- 4) Each of Mr. Zhou Yang, Mr. Zhao Mingzhu, Mr. Chen Zhiyuan, Mr. Shu Wa Tung, Laurence and Mr. Chen Rui was granted share options under the Company's pre-IPO share option scheme which came into effect on 27 July 2024 to each subscribe for 250,000 Shares, 250,000 Shares, 250,000 Shares, 200,000 Shares and 300,000 Shares. 82,500, 82,500, 82,500, 66,000 and 99,000 options for Mr. Zhou Yang, Mr. Zhao Mingzhu, Mr. Chen Zhiyuan, Mr. Shu Wa Tung, Laurence and Mr. Chen Rui were regarded as lapsed in accordance with the terms of the scheme.

Save as disclosed in this circular, as at the Latest Practicable Date, each of the candidates: (i) has not held any other positions in the Company or its subsidiaries; (ii) has not held any other directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years; (iii) does not have any other major appointments and professional qualifications; (iv) does not have any relationship with any Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company; and (v) does not have any interest in the shares of the Company which are within the meaning of Part XV of the SFO. There is no service contract entered into between the Company and each of the candidates which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

As at the Latest Practicable Date, none of the candidates has been subject to any disciplinary action imposed by the CSRC or other relevant authorities, nor has any of them been placed under corrective measures by any stock exchange.

The Company will enter into a service contract or letter of appointment with each of the above-mentioned candidates in respect of their positions for a term of office of three years commencing from the date of approval by the Shareholders at the EGM until the date of the expiration of the term of office of the second session of the Board of Directors.

For details of the annual remuneration of the Directors, please refer to the proposed remuneration plan for the second session of the Board of Directors. The remuneration arrangement of the Directors is determined with reference to their experience, duties, responsibilities and the Company's remuneration policy. The Company will disclose the remuneration of Directors in its annual report each year.

In view of the information set out in Appendix IV to this circular, and in particular, the educational background, working experience, and background of each of Mr. Zhou Yang, Mr. Zhao Mingzhu, Mr. Chen Zhiyuan, Mr. Shu Wa Tung, Laurence, Mr. Chen Rui, Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Ng Sin Kiu, their contributions and time commitment to the affairs of the Group, and the diversity elements that each of them can bring to the Board, the Board considers that each of them is suitable to continue to serve the Board as a Director and the re-election of the Directors is in the interest of the Company and the Shareholders as a whole.

Save as disclosed in this circular, there is no information in relation to each of the above-mentioned candidates that needs to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules. Save as mentioned in this circular, there is no other matter in relation to the appointment of each of the candidates that needs to be brought to the attention of the Shareholders.

## LETTER FROM THE BOARD

### ***(6) Proposed Remuneration Scheme for the second session of the Board of Directors***

In accordance with the Company's remuneration management system and the actual operating conditions of the Company, and taking into account the prevailing market remuneration level with reference to the remuneration of the comparable companies in the same industry and region of the Company, the Remuneration Committee has recommended and the Board hereby proposes the remuneration scheme for the second session of the Board of Directors.

The details of the remuneration scheme are set out below:

- a) The annual remuneration (inclusive of tax) of the independent non-executive directors shall be as follows: RMB80,000 for Dr. Guan Yanmin, HKD180,000 for Ms. Ng Sin Kiu, and RMB100,000 for Mr. Zhu Rongyuan.
- b) Executive directors shall receive remuneration based on their specific management positions and shall not receive additional compensation for their service as Directors. The basis of remuneration for executive directors is determined by the Board with reference to responsibilities, the Company's remuneration policy and market benchmarks.

The foregoing plan shall take effect from the date of approval at the EGM and shall automatically expire upon the approval of a new remuneration plan or upon the expiration of the term of the Directors, whichever occurs first.

The proposed remuneration scheme was considered and approved by the Board on 15 December 2025, and is hereby proposed at the EGM as an ordinary resolution for consideration and approval.

### ***(7) Provision of related-party guarantee by the Company to wholly-owned subsidiaries for the acquisition of the Vessels***

In view of the establishment of the Buyers as special purpose vehicles for the proposed acquisition of vessels, the Company, ContiOcean Environment Tech Co. Limited and ContiOcean Pte. Ltd. will provide related-party guarantees in favor of the Buyers for the credit facility arranged by the CMB Wing Lung Bank in the amount of US\$15,000,000 (equivalent to approximately HK\$117,750,000).

To facilitate performance of the Buyers' obligations under the Memoranda of Agreement, the Company will provide a letter of guarantee in favor of the seller of each Vessel guaranteeing each wholly-owned subsidiary's obligations in the amount of an aggregate of US\$15,000,000 (equivalent to approximately HK\$117,750,000). Shareholders are therefore asked to consider and, if thought fit, approve the provision of the guarantee by ordinary resolution.

## LETTER FROM THE BOARD

Pursuant to Article 45(4) of the Company's Articles of Association, the provision of guarantees to its wholly-owned subsidiaries for the acquisition of the Vessels, which has an aggregate consideration exceeds 30% of the Company's latest audited total assets, is subject to approval by the Shareholders.

No Director has a material interest in the above resolutions that would require abstention from voting at the EGM under the Articles of Association or the Listing Rules. The proposed provision of guarantees was considered and approved by the Board on 15 December 2025, and is hereby proposed at the EGM as an ordinary resolution for consideration and approval. The Transaction does not constitute a connected transaction under the Listing Rules based on the information available to the Company as at the date of this circular.

### III. THE EGM

The notice convening the EGM at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on 6 January 2026 at 10:00 a.m. is set out on pages 173 to 175 in this circular. For the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of H Shares will be closed from 31 December 2025 to 6 January 2026 (both days inclusive). H Shareholders whose names appear on the register of members of the Company on 6 January 2026 are entitled to attend and vote at the EGM. In order to qualify for the entitlement to attend and vote at the above EGM, H Shareholders must lodge all transfer forms accompanied by the relevant H Share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 30 December 2025.

The proxy form for use at the EGM is enclosed in this circular and published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.contioceangroup.com](http://www.contioceangroup.com)).

If you intend to attend the EGM by proxy, you are required to return the duly completed accompanying proxy form according to the instructions printed thereon. Shareholders who intend to attend the EGM by proxy are required to duly complete the proxy form and return the same to Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. 5 January 2026 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM, and will not preclude you from viewing and listening to the EGM online if you so wish.

### IV. RECOMMENDATIONS

The Directors are of the opinion that, all the resolutions as set out in the notice of the EGM for Shareholders' consideration and approval are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the EGM.

<b>LETTER FROM THE BOARD</b>
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**V. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

**VI. MISCELLANEOUS**

Unless otherwise provided herein, the English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
For and on behalf of the Board  
**ContiOcean Environment Tech Group Co., Ltd.**  
**Zhou Yang**  
*Chairman*

**CONTIOCEAN ENVIRONMENT TECH  
GROUP CO., LTD.**

**ARTICLES OF ASSOCIATION**

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## Chapter I General Provisions

**Article 1** In order to safeguard the legitimate rights and interests of ContiOcean Environment Tech Group Co., Ltd. (hereinafter referred to as the “**Company**”), shareholders, employees and creditors, and regulate the Company’s organization and behavior, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), “Securities Law of the People’s Republic of China” (hereinafter referred to as the “**Securities Law**”), “Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies”, “~~Measures for the Supervision and Administration of Unlisted Public Companies~~”, “~~Governance Rules for Companies Listed on the National Equities Exchange and Quotations~~” and “~~Business Rules of the National Equities Exchange and Quotations (Trial)~~” (hereinafter referred to as the “**Business Rules**”), “Guidelines for the Articles of Association of Listed Companies” and “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 laws, administrative regulations, departmental rules, normative documents and relevant regulations of relevant regulatory authorities.

**Article 2** The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations.

**Article 3** The Company was established as a whole by its predecessor, ContiOcean Environment Tech Co., Ltd. (hereinafter referred to as the “**Former Company**”), and was registered with the Shanghai Municipal Administration for Market Regulation and obtained a business license.

**Article 4** The Company was registered with the China Securities Regulatory Commission (hereinafter referred to as the “**CSRC**”) on December 6, 2024 and the initially issued 10,000,000 ordinary shares of overseas listed foreign shares (H shares) with a par value of RMB1 each to overseas investors, were approved by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Stock Exchange**”) to be listed on the Main Board of the Hong Kong Stock Exchange on January 9, 2025 (the “**IPO of H Shares**”).

**Article 5** Registered Name of the Company: (Chinese) 上海匯舸環保科技集團股份有限公司  
(English) ContiOcean Environment Tech Group Co., Ltd.

**Article 6** Domicile: Room 1101, No. 2, Maji Road, China (Shanghai)  
Free Trade Pilot Zone



**Article 7** The registered capital of the Company was RMB40 million.

**Article 8** The Company is a joint stock limited company with permanent existence.

**Article 9** The chairman of the board of directors shall be the legal representative of the Company. If the chairman of the board of directors, who is the legal representative, resigns, he is deemed to have resigned as the legal representative at the same time. If the legal representative resigns, the Company shall determine a new legal representative within 30 days from the date of resignation of the legal representative.

Legal consequences of civil activities undertaken by the legal representative in the name of the Company shall be borne by the Company.

Restrictions on the powers of the legal representative as stipulated in these Articles of Association or by the shareholders' meeting shall not be used against bona fide counterparts.

If damages occur due to the legal representative's performing of their duties, the Company shall bear the civil liability. After assuming the civil liability, the Company may seek recourse from the legal representative who was at fault, in accordance with the laws or the requirements in these Articles of Association.

**Article 10** The entire assets of the Company shall be divided into equal shares. The shareholders shall be liable to the Company to the extent of the shares subscribed by them. The Company shall be liable for the debts of the Company with all its ~~assets~~ properties.

**Article 11** These Articles of Association shall be a legally binding document that regulates the Company's organization and behavior, the rights and obligations between the Company and its shareholders as well as among the shareholders once it goes into effect, and is legally binding on the Company, its shareholders, directors, ~~supervisors~~ and senior management officers.

Disputes between the Company, shareholders, directors, ~~supervisors~~ and senior management officers involving the provisions of these Articles of Association shall be resolved through consultation first. If the consultation fails, the dispute may be resolved by filing a lawsuit with the people's court having jurisdiction over the place where the Company is registered. Pursuant to these Articles of Association, the shareholders may sue the shareholders, the shareholders may sue the directors, ~~supervisors, general managers and other~~ and senior management officers of the Company, the shareholders may sue the Company, and the Company may sue the shareholders, directors, ~~supervisors, general managers and other~~ and senior management officers.

~~Other senior~~ Senior management officers as referred to in these Articles of Association means ~~the chief financial officer, the secretary, managers and other personnel specified in these Articles of the board of directors, etc. of the Company~~ Association.

**Article 12** The Company shall, in accordance with the provisions of the Constitution of the Communist Party of China, establish Communist Party organizations and carry out Party activities. The Company shall provide the necessary conditions for the activities of the Party organizations.

## **Chapter II Purpose and Scope of Business**

**Article 13** The purpose of business of the Company: to promote renewable energy and protect our blue planet.

**Article 14** After being registered in accordance with the law, the scope of business of the Company is: engaging in technology development, technical consulting, technical services, technology transfer in the fields of environmental protection technology, shipbuilding and marine engineering equipment technology, and wholesale of ship equipment and accessories, electromechanical equipment, and environmental protection equipment, import and export, commission agency (except auction) and related supporting services, ship and marine engineering equipment installation and maintenance, and specialized construction for electrical and mechanical equipment installation. (Items subject to approval in accordance with the law can only commence business activities after approval by the relevant authorities)

## **Chapter III Shares**

### **Section 1 Issuance of Shares**

**Article 15** Shares of the Company shall take the form of share registered certificates. ~~If the Company's shares are listed on the National Equities Exchange and Quotations (hereinafter referred to as the "Listing"), they shall be centrally registered with China Securities Depository and Clearing Corporation Limited.~~ The H shares issued by the Company are mainly held in custody by a trustee company under Hong Kong Securities Clearing Company Limited. If the share capital of the Company includes non-voting shares, the words "non-voting" shall be inserted into the names of such shares. Where the share capital includes shares with different voting rights, the words "limited voting rights" or "restricted voting rights" shall be inserted into the name of each class of shares (other than those with the most favorable voting rights).

**Article 16** Shares of the Company shall be issued in a transparent, fair and equal manner and shares of the same class shall rank pari passu in all respects.

Each of the shares of the same class shall be issued under the same conditions and at the same price in each issuance, and the same price shall be paid for each of the shares subscribed for by any entity or individual.

**Article 17** Shares issued by the Company are all ordinary shares denominated in Renminbi (RMB).

**Article 18** The Company shall convert the audited net asset value of the Former Company of RMB89,010,434.87 into 20,000,000 shares of the Company (RMB20,000,000 into the Company's share capital and RMB69,010,434.87 into the Company's capital reserve), with a nominal value of RMB1 each, on the basis of 31 August 2022.

If the shareholders of the Former Company jointly serve as the promoters of the Company, the total number of shares of the Company multiplied by their respective capital contributions in the Former Company shall constitute the number of shares held by them as promoters at the time of the establishment of the Company, the details of which are as follows:

- (1) Subscription of 6,525,000 shares by Zhou Yang, the promoter; method of capital contribution: net assets converted into shares; capital contribution date: 31 August 2022.
- (2) Subscription of 5,437,500 shares by Zhao Mingzhu, the promoter; method of capital contribution: net assets converted into shares; capital contribution date: 31 August 2022.
- (3) Subscription of 5,437,500 shares by Chen Zhiyuan, the promoter; method of capital contribution: net assets converted into shares; capital contribution date: 31 August 2022.
- (4) Subscription of 1,600,000 shares by Huzhou ContiOcean Equity Investment Partnership (LP) (湖州匯舸股權投資合夥企業(有限合夥)), the promoter; method of capital contribution: net assets converted into shares; capital contribution date: 31 August 2022.
- (5) Subscription of 1,000,000 shares by Shu Wa Tung, Laurence, the promoter; method of capital contribution: net assets converted into shares; capital contribution date: 31 August 2022.

**Article 19** The Company was established through the overall change of its predecessor, ContiOcean Environment Tech Co., Ltd., and was established by sponsorship. Upon the establishment of the Company, the promoters of Article 18 have paid up their respective contributions to the registered capital.

**Article 20** The Company or its subsidiaries (including its affiliates) shall not ~~provide, by providing gifts, loans advances, guarantees or other financial assistance for others to loans,~~ acquire shares of the Company or its parent company for others, except for the implementation of the Company's employee stock ownership plan.

In the interest of the Company, upon a resolution of the shareholders' meeting, or a resolution of the board of directors in accordance with these Articles of Association or the authorization of the shareholders' meeting, the Company may provide financial assistance for others to acquire shares of the Company or its parent company, provided that the cumulative total amount of financial assistance shall not exceed 10% of the total amount of the issued share capital. Resolutions made by the board of directors shall be approved by more than two-thirds of all the directors.

In the event that a violation of the preceding two paragraphs causes losses to the Company, the responsible directors, ~~supervisors~~ and senior management officers shall be liable for compensation.

## Section 2 Increase, Reduction and Repurchase of Shares

**Article 21** Based on its operating and development needs, the Company may, pursuant to the laws and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed, and with the approval by resolutions at the shareholders' meeting, increase its registered capital in the following ways:

- (1) ~~Public offering~~Offering of shares in fulfillment of statutory procedures to unspecified objects;
- (2) ~~Private offering~~Offering of shares to specified objects;
- (3) Distributing bonus shares to existing shareholders;
- (4) Converting capital reserves into share capital; and
- (5) Adopting any other means stipulated in the laws and administrative regulations and ~~approved by securities regulatory authorities of the places where the Company's shares are listed, the CSRC and Hong Kong Stock Exchange.~~

~~If the Company's shares are issued in the way of cash subscription, the Company's existing shareholders are not entitled to the preemptive right of the issued shares under the same conditions.~~

The Company may reduce its registered capital. The reduction in registered capital shall be made in accordance with the procedures set out in Company Law, the Hong Kong Listing Rules, other applicable regulations, and these Articles of Association.

**Article 22** Shareholders who vote against any resolution adopted at the shareholders' meeting may request the Company to acquire their shares at a reasonable price under one of the following circumstances:

- (1) The Company has not distributed profits to shareholders for 5 consecutive years, provided, however, that the Company has been profitable for the past 5 consecutive years and has satisfied the profit distribution conditions stipulated in Company Law;
- (2) The Company has transferred its main properties; or
- (3) The Company continues to exist by amending the Articles of Association through a resolution adopted at the shareholders' meeting despite the occurrence of reasons for dissolution as stipulated in these Articles of Association.

If a shareholder and the Company fail to reach an agreement on the purchase of shares within 60 days from the date of the resolution adopted at the shareholders' meeting, the shareholder may file a lawsuit against the people's court within 90 days from the date of the resolution adopted at the shareholders' meeting.

Shares of the Company acquired by the Company as a result of the circumstances stipulated in first paragraph thereof shall be transferred or canceled within 6 months in accordance with the law.

~~**Article 23** The Company may, in accordance with the provisions set out in the laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and these Articles of Association, purchase its shares under the following circumstances:~~

**Article 23** The Company shall not acquire its own shares. However, any of the following exceptions may apply:

- (1) Reduction of the Company's registered capital;
- (2) Merger with another company which holds the shares of the Company;
- (3) Use of shares for employee stock ownership plans or equity incentives;
- (4) Request to the Company to acquire the shares from shareholders who vote against any resolution adopted at the shareholders' meeting on the merger or demerger of the Company;-
- (5) Use of shares to convert corporate bonds issued by the Company that are convertible into shares;

- (6) Other circumstances necessary for the Company to maintain the value of the Company and the interests of its shareholders; and
- (7) Other circumstances under which the Company's shares may be acquired in accordance with laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed.

When the Company acquires its own shares, it shall fulfill its information disclosure obligations in accordance with the requirements of the Securities Law and the Hong Kong Listing Rules.

The Company must obtain the prior approval by the resolution adopted at the shareholders' meeting if it acquires its shares by reason of the circumstances specified in subparagraphs (1) and (2) of the preceding paragraph; and obtain the prior approval by the resolution adopted at the meetings of the board of directors where more than two-thirds of the directors attend if it acquires its shares by reason of the circumstances specified in subparagraphs (3), (5) and (6) of the preceding paragraph.

Shares acquired by the Company under subparagraph (1) thereof shall be canceled within 10 days from the date of acquisition; those acquired under subparagraphs (2) and (4) thereof shall be transferred or canceled within 6 months; and those acquired by the Company under subparagraphs (3), (5) and (6) thereof and held by the Company, shall not exceed 10% of the Company's total issued shares, and shall be transferred or canceled within three years.

~~Except for the above circumstances, the Company shall not engage in the trading of the Company's shares. If there are separate provisions in relevant laws, regulations, normative documents or the relevant requirements of the securities regulatory authority of the place where the Company's shares are listed regarding the aforementioned matters related to the share repurchase, those provisions shall prevail.~~

**Article 24** The Company may acquire shares of the Company through public centralized trading, or other methods recognized by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the CSRC (if necessary). Shares acquired by the Company under subparagraphs (3), (5) and (6) of paragraph I of Article 23 of these Articles of Association shall be traded through public centralized trading.

After acquiring shares of the Company, the Company shall fulfill its obligations of information disclosure in accordance with laws, administrative regulations, rules, normative documents, the Hong Kong Listing Rules and other relevant provisions. If matters related to share repurchases are otherwise provided in the relevant regulatory rules of the places where the Company's shares are listed, such regulatory rules shall prevail.

**Section 3 Transfer of Shares**

**Article 25** Shares held by shareholders of the Company may be transferred to other shareholders or to persons other than shareholders. ~~For the transfer of the Company's listed stocks, shareholders can publicly transfer their shares on the National Equities Exchange and Quotations.~~ The transfer of the Company's H shares must be registered with the local stock registration agency in Hong Kong entrusted by the Company. All transfers of H shares shall be in a written transfer instrument in general or ordinary form or any other form approved by the board of directors (including the standard transfer form or transfer form specified by the Hong Kong Stock Exchange from time to time); and the transfer instrument may only be signed by hand or affixed under the common seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house or its agent as defined in the relevant regulations in force from time to time under the laws of Hong Kong, the transfer instrument may be signed by hand or in printed form. All transfer instruments shall be kept at the legal address of the Company or such address as may be designated by the board of directors from time to time.

**Article 26** The Company does not accept its own shares as the subject of pledge.

~~**Article 27** The shares directly or indirectly held by the Company's controlling shareholders and de facto controllers prior to the listing may be released from transfer restriction in three batches, with the number of shares released from transfer restriction in each batch being one-third of the number of shares held prior to the listing. The dates for the release of shares from the transfer restriction shall be the date of listing, the expiration date of listing for one entire year and for two entire years, respectively.~~ **Article 27** Shares issued prior to the Company's IPO of H shares shall not be transferred within one year from the date of listing of the Company's shares on the Main Board of Hong Kong Stock Exchange.

**Article 28** The Company's directors, ~~supervisors~~ and senior management officers shall report to the Company their holdings of shares of the Company and changes thereof. Shares of the Company held by these persons shall not be transferred within one year from the date of listing of the Company's shares on the Main Board of Hong Kong Stock Exchange, and the number of shares to be transferred annually during their tenures of office determined at the time of assumption of their positions shall not exceed 25% of the total number of shares of the Company held by them. Shares of the Company held by the aforesaid persons shall not be transferred within half a year after leaving office. If the shares are pledged within the period of transfer restriction prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right within the period of transfer restriction.

If the transfer restriction of H shares is otherwise provided in the relevant regulatory rules of the places where the Company's shares are listed, such regulatory rules shall prevail.



**Article 29** If directors,~~supervisors~~, senior management officers, and shareholders holding more than 5% of the Company's shares sell the Company's shares they hold within 6 months after purchasing the same or purchase them again within 6 months after selling the same, the earnings therefrom shall belong to the Company, and the board of directors of the Company shall recover such earning. However, exceptions are made where the securities company holds more than 5% of the shares due to the purchase and underwriting of untaken shares after offering, and other circumstances specified by the securities regulatory authorities of the State Council and the securities regulatory authorities of the place where the Company's shares are listed.

Shares or other securities of an equity nature held by directors,~~supervisors~~, senior management officers, or shareholders who are natural persons as referred to in the preceding paragraph shall include shares or other securities of an equity nature held by their spouses, parents, or children, as well as those held by them utilizing the accounts of others.

In the event that the board of directors of the Company fails to comply with the provisions of first paragraph thereof, the shareholders shall have the right to request the board of directors to do so within 30 days. If the board of directors of the Company fails to do so within the said period, the shareholders shall have the right to file a lawsuit with the people's court directly in their own name for the benefit of the Company.

If the board of directors of the Company fails to comply with the provisions of first paragraph thereof, the responsible directors shall be jointly and severally liable in accordance with the law.

## **Chapter IV Shareholders and Shareholders' Meeting**

### **Section 1 Shareholders**

**Article 30** China Securities Depository and Clearing Co., Ltd. is the registration and depository institution for the Company's domestic unlisted shares held by its shareholders. The register of shareholders recording shareholders of the Company's domestic unlisted shares and shares held by such shareholders shall be subject to the data recorded in the securities book-entry system of China Securities Depository and Clearing Co., Ltd. The Company's H shares are held in escrow by the entrusted custody company under Hong Kong Securities Clearing Company Limited, and can also be held by shareholders in their personal names.

Matters that shall be stated in the Company's share certificate shall include, in addition to those stipulated in the Company Law, matters required to be stated by the stock exchanges where the Company's shares are listed.

H shares issued by the Company that are listed overseas may be in the form of overseas depository receipts or other derivatives of share certificates in accordance with the laws and the practice of the securities registration and depository of the places where the Company's shares are listed.



**Article 31** The Company shall establish and maintain a register of shareholders. The register of shareholders shall be sufficient evidence to prove that a shareholder holds shares in the Company, unless there is evidence to the contrary. The shareholders of the Company shall have rights and obligations according to the class of shares held by them; shareholders holding shares of the same class shall have the same rights and obligations.

The Hong Kong branch register of shareholders must be open to inspection by the shareholders, but the Company may be permitted to suspend the registration of members on conditions equivalent to those set out below:

- (1) The Company may, after giving notice in accordance with subparagraph (2), close its register of members for a period or periods not exceeding in the aggregate 30 days in any one year;
- (2) A notice under subparagraph (1) shall be given, if it is given by the Company, in accordance with the listing rules applicable to the relevant stock market; or by advertisement in a newspaper circulating generally in Hong Kong; and if it is given by any other company, by advertisement in a newspaper circulating generally in Hong Kong;
- (3) In relation to any year, the period of 30 days referred to in subparagraph (1) may be extended by a resolution of the shareholders of the Company passed during that year; and
- (4) The period of 30 days referred to in subparagraph (1) may not be extended in any year by an additional period exceeding 30 days or by more than one additional period exceeding 30 days in the aggregate.

Any shareholder who is registered in or any person who requests to have his/her name entered in the register of shareholders, if whose share certificate is lost, may apply to the Company for replacement of the share certificate in respect of such shares. If a holder of the domestic unlisted shares of the Company loses his/her share certificate and applies for replacement, it shall be dealt with in accordance with the relevant requirements of the Company Law. If a holder of the H shares of the Company loses his/her share certificate and applies for replacement, it may be dealt with in accordance with laws, rules of the stock exchange or other relevant regulations of the place where the original register of holders of the H shares is maintained.

**Article 32** ~~After the listing of the Company's shares and the IPO of H shares, the~~The Company shall establish an investor relations management system, treat all investors on an equal basis in accordance with the principles of fairness, openness and impartiality, and disclose in a timely manner information on the Company's corporate culture, development strategies and business policies through announcements, the Company's website and other means in order to safeguard the legitimate rights and interests of all investors.

~~After the listing of the Company's shares and the IPO of H shares, the~~The Company shall disclose all information that may have a greater impact on the transfer prices of the Company's shares and other securities to investors in a timely and fair manner through regular reports, interim reports and other means in accordance with the requirements of the CSRC, the ~~National Equities Exchange and Quotations Co., Ltd. (hereinafter referred to as the "NEEQ")~~, the Stock Exchange and the securities regulatory authorities of the place where the Company's shares are listed, and ensure that the information disclosed is true, accurate and complete, and free of false entries, misleading statements or material omissions.

For other information which, in the opinion of the board of directors of the Company, may have a greater impact on the price of the Company's shares, the Company shall prepare interim reports and disclose them in a timely manner in accordance with the requirements of the relevant laws, administrative regulations, departmental rules and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

**Article 33** When the Company convenes a shareholders' meeting, distributes dividends, engages in liquidation and engages in other acts that require confirmation of the identity of shareholders, the board of directors or the convenor of the shareholders' meeting shall determine the shareholding registration date, and shareholders registered after the close of the market on the shareholding registration date shall be the shareholders entitled to the relevant rights and interests.

**Article 34** Shareholders of the Company may enjoy the following rights:

- (1) The right to receive dividends and other distributions in proportion to the number of shares held;
- (2) The right to request, convene, chair, attend and vote in person or appoint a proxy to attend and vote on their behalf at the shareholders' meeting in accordance with the laws;
- (3) The right to supervise the Company's business operations, and to put forward proposals and raise enquiries;
- (4) The right to transfer, give as gifts or pledge the shares held in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed as well as these Articles of Association;

- (5) The right to access and copy these Articles of Association, register of shareholders, meeting minutes of the shareholders' meeting, resolutions of meetings of the board of directors, ~~resolutions of meetings of the board of supervisors~~, and financial and accounting reports;
- (6) In the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in proportion to the number of shares held;
- (7) With respect to shareholders who voted against any resolution adopted at the shareholders' meeting on the merger or demerger of the Company, the right to demand the Company to acquire the shares held by them; and
- (8) Any other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or these Articles of Association.

Shareholders who individually or collectively hold more than 3% of the Company's shares for more than 180 consecutive days may request to inspect the Company's accounting books and accounting certificates, and the shareholders requesting to inspect the Company's accounting books and accounting certificates shall submit a written request to the Company stating the purpose thereof. If the Company has reasonable grounds to believe that a shareholder's inspection of the accounting books and certificates is for an improper purpose that may harm the Company's lawful interests, the Company may refuse to provide such inspection and shall reply to the shareholder in writing within 15 days from the date of the shareholder's written request, stating the reasons therefor. If the Company refuses to provide access, the shareholder may file a lawsuit with the people's court.

Shareholders may appoint accounting firms, law firms and other intermediary organizations to inspect the materials provided for in the preceding paragraph. Shareholders and the accounting firms, law firms and other intermediary organizations commissioned by them to inspect or copy the relevant materials shall comply with the laws and administrative regulations on the protection of state secrets, commercial secrets, personal privacy and personal information, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

Where shareholders request to inspect or copy relevant materials of wholly-owned subsidiaries of the Company, the provisions of the preceding two paragraphs shall apply.

The Company shall not deprive or restrict shareholders of their statutory rights.

**Article 35** A shareholder who requests to inspect the relevant information referred to in the preceding Article or requests for information shall ~~provide the Company~~comply with ~~written documents proving the type and number~~the requirements of the Company's shares held by ~~Law, the Securities Law, the shareholder, Hong Kong Listing Rules and other laws~~ and the Company shall provide such documents to the shareholder upon verification of the identity of the shareholder. ~~administrative regulations.~~

**Article 36** In the event that a resolution of a shareholders' meeting or board of directors' meeting of the Company violates laws or administrative regulations, the shareholders shall have the right to request the people's court to recognize the resolution as invalid.

If the procedures for convening a shareholders' meeting or a board of directors' meeting or the manner of voting thereat contravene any law or administrative regulation or these Articles of Association, or if the contents of a resolution contravene these Articles of Association, the shareholders shall have the right to request the people's court to revoke the resolution within 60 days from the date when the resolution was made, unless there are only minor defects in the procedures for convening a shareholders' meeting or a board of directors' meeting or in the manner of voting, which do not have a material impact on the resolution.

If the board of directors, the shareholders or other relevant parties have a dispute over the validity of a resolution passed on a shareholders' meeting, they should promptly file a lawsuit with the People's Court. Before the People's Court makes a judgment or ruling such as the revocation of resolution, the parties shall implement the resolution passed thereon. The Company, its directors and its senior management shall earnestly perform their duties to ensure the Company's normal operation.

When the People's Court makes a judgment or ruling on the matter, the Company shall fulfill its information disclosure obligations in accordance with the requirements of laws, administrative regulations, the CSRC and the stock exchange where the Company's shares are listed to fully explain the impact, and actively cooperate in the execution after the judgment or ruling takes effect. If any prior matters require correction, they will be processed promptly and the corresponding information disclosure obligations will be fulfilled. ~~Shareholders who have not been notified to participate in the shareholders' meeting may, within 60 days from the date when they knew or should have known that the resolution of the shareholders' meeting had been made, request the people's court to revoke the resolution; and the right of revocation shall be extinguished if the right of revocation is not exercised within one year from the date when the resolution was made.~~

**Article 37** The resolutions of the shareholders' meeting or the board of directors of the Company shall not be valid under any of the following circumstances:

- (i) Resolutions are not passed on a shareholders' meeting or a board meeting;
- (ii) Voting on the resolutions has not been conducted on a shareholders' meeting or a board meeting;

(iii) The number of attendees or the amount of voting rights on their hands has not reached those stipulated in the Company Law or these Articles of Association;

(iv) The number of shareholders voting in favour of the resolution or the amount of voting rights on their hands has not reached those stipulated in the Company Law or these Articles of Association.

**Article 38** In the event that a director (apart from the Audit Committee) or senior management officers, in the performance of his duties, violates any law or administrative regulation or these Articles of Association and causes damage to the Company, any shareholder who individually or collectively holds more than 1% of the shares of the Company for more than 180 consecutive days shall have the right to request the ~~board of supervisors~~Audit Committee in writing to file a lawsuit with the people's court; and in the event that the ~~board of supervisors~~Audit Committee, in the performance of its duties for the Company, violates any law or administrative regulation or these Articles of Association and causes damage to the Company, the foregoing shareholder may request the board of directors in writing to file a lawsuit with the people's court.

If the ~~board of supervisors~~Audit Committee or the board of directors refuses to file a lawsuit upon receipt of a written request from a shareholder as provided for in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receipt of the request, or if the situation is so urgent that the interests of the Company will be irreparably damaged if the Company fails to file a lawsuit, the shareholders as provided for in the preceding paragraph shall have the right to file a lawsuit with the people's court in their own names and in the interest of the Company directly.

If another person infringes upon the lawful rights and interests of the Company and causes damage to the Company, the shareholders provided for in the first paragraph thereof may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

If directors, supervisors or senior management officers of a wholly-owned subsidiary of the Company are in any of the situations provided for in the preceding Article, or if any other person infringes upon the lawful rights and interests of a wholly-owned subsidiary of the Company and causes losses, shareholders of the Company who individually or collectively hold more than 1% of the Company's shares for more than 180 consecutive days, may, in accordance with the provisions of the preceding three paragraphs, request in writing that the board of supervisors or the board of directors of the wholly-owned subsidiary file a lawsuit with the people's courts, or file a lawsuit with the people's courts in their own names directly.

If a director or senior management officers violates any law, administrative regulation or these Articles of Association to the detriment of the shareholders' interests, the shareholders may file a lawsuit with the people's court.

**Article 3839** If a director or senior management officers, in the performance of his duties, causes damage to another person, the Company shall be liable for compensation; if the director or senior management officers is intentional or grossly negligent, he/she shall also be liable for compensation.

If a controlling shareholder or a de facto controller of the Company instructs a director or senior management officers to engage in an act that is detrimental to the interests of the Company or the shareholders, he or she shall be jointly and severally liable with the director or senior management officers.

**Article 3940** Shareholders of the Company shall assume the following obligations:

- (1) To abide by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and these Articles of Association;
- (2) To pay subscription money according to the number of shares subscribed and the method of subscription;
- (3) Not to withdraw their ~~shares~~portion of the share capital except as otherwise provided by laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed;
- (4) Not to abuse their shareholder rights to jeopardize the interests of the Company or other shareholders; and not to abuse the independent status of the Company as a legal entity and the limited liabilities of shareholders to jeopardize the interests of the Company's creditors; and
- (5) Any other obligations imposed by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or these Articles of Association.

Shareholders of the Company who abuse their shareholder rights to cause losses to the Company or other shareholders shall be liable for compensation in accordance with the laws. Shareholders of the Company who abuse the independent status of the Company as a legal entity and the limited liabilities of shareholders to evade debts and seriously jeopardize the interests of the Company's creditors shall be jointly and severally liable for the debts of the Company.

**Section 2 Controlling Shareholders and De Facto Controllers**

~~Article 40~~ Shareholders or de facto controllers holding or actually controlling more than 5% of the shares through accepting entrustment or trust, etc. shall promptly inform the Company of the entrustment and cooperate with the Company in fulfilling the information disclosure obligations. If a shareholder holding more than 5% of the voting shares of the Company pledges the shares held by him, he shall make a written report to the Company from the date of occurrence of such fact. ~~Article 40~~Article 41 The Company's controlling Controlling shareholders and de facto controllers of the Company shall ~~not use~~exercise their related (connected) relationship to jeopardize the interests of the Company. Those who violate their rights and fulfill their obligations in accordance with laws, administrative regulations and cause losses to, the Company shall be liable for compensation.

~~The Company's controlling shareholders and de facto controllers shall bear fiduciary duties for the Company and shareholders~~requirements of the Company. The Company's controlling shareholders and de facto controllers shall not use any means to jeopardize the legitimate rights and interests of the Company and other shareholders; ~~controlling shareholders and de facto controllers shall be liable for compensation for any losses caused to the Company and other shareholders as a result of any violation of the relevant laws and regulations~~CSRC, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed as well as these Articles, to safeguard the interests of Association~~the listed company.~~

~~Article 41~~Article 42 ~~The Company shall~~ Controlling shareholders and de facto controllers of the Company shall comply with the following requirements:

- (i) Exercise their shareholders' rights in accordance with laws, without abusing their control or connected relationships to harm the legitimate rights and interests of the Company or other shareholders;
- (ii) Strictly fulfill all their public statements and commitments, without arbitrary change or waiver;
- (iii) Strictly fulfill their information disclosure obligations in accordance with relevant regulations, actively take measures to prevent shareholders and their related (connected) parties from appropriatingcooperate with the Company in this aspect, and promptly inform the Company of any major events that have occurred or transferring are likely to occur;
- (iv) No misappropriation of the Company's funds; in any way;
- (v) No compulsion, instruction or request on the Company and related personnel to provide guarantees in violation of laws and regulations;



- (vi) No acquisition of interest by leveraging the Company's undisclosed material information, no disclosure of material information related to the Company in any way and no engagement in illegal or irregular activities such as insider trading, short-term trading and market manipulation;
- (vii) No damage to the legitimate rights and interests of the Company and other shareholders through unfair related-party transactions, profit distribution, asset restructuring and foreign investment or by other means;
- (viii) Ensure the integrity of the Company's assets and the independence of its personnel, its finance, its organization and of its business and no influence on the independence of the Company in any way;
- (ix) Laws, administrative regulations, requirements of the CSRC, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and other requirements under these Articles of Association.

Even if a controlling shareholder or de facto controller of the Company does not serve as a director of the Company but actually conducts the Company's affairs, the requirements under these Articles of Association regarding the fiduciary duty and the diligence obligations of directors shall apply.

If ~~other resources~~ a controlling shareholder or de facto controller of the Company give instructions to directors or senior management officers to engage in activities that are harmful to the interests of the Company or its shareholders, they shall bear joint liability with the directors or senior management officers.

**Article 43** Controlling shareholders or de facto controllers who have pledged the Company's shares on their hands or actually under their control shall maintain their control over the Company and ensure the stability of its production and operation.

**Article 44** Controlling shareholders or de facto controllers who are going to transfer the shares of the Company on their hands shall comply with the restrictions set on share transfers in laws, administrative regulations, the requirements of the CSRC, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed as well as their commitments to the restricted share transfers.

### **Section 32 General Provisions of the Shareholders' Meeting**

**Article 4345** The shareholders' meeting is the power of authority of the Company, comprising all shareholders, and shall exercise the following functions and powers in accordance with the laws:

- (1) To elect and replace directors and ~~supervisors and~~ to determine matters relating to the remuneration of the directors ~~and supervisors;~~



- (2) To consider and approve the reports of the board of directors;
- ~~(3) To consider and approve the reports of the board of supervisors;~~
- ~~(4)~~(3) To consider and approve the Company's profit distribution plan and plan for recovery of losses;
- ~~(5)~~(4) To make resolutions on the increase or reduction of the Company's registered capital;
- ~~(6)~~(5) To make resolutions on the issue of corporate bonds;
- ~~(7)~~(6) To make resolutions on the merger, demerger, dissolution, liquidation or change of corporate form of the Company;
- ~~(8)~~(7) To amend these Articles of Association;
- ~~(9)~~(8) To decide the appointment and dismissal of the accounting ~~firms~~firms undertaking the audit on the Company's business;
- ~~(10) To consider and approve financial assistance matters as stipulated in Article 44;~~
- ~~(H)~~(9) To consider and approve guarantee matters as stipulated in Article 4546 under these Articles of Association;
- ~~(I2)~~(10) To consider and approve ~~major transaction~~any matters as stipulated in Article 46;concerning the Company's purchase or sale of significant assets within one year exceeding 30% of the latest audited total assets of the Company;
- ~~(13) To consider and approve the share incentive plan;~~
- ~~(14)~~(11) To consider and approve matters related to the change of use of proceeds;
- ~~(15)~~(12) To consider and approve ~~related (connected) transaction matters that exceed the resolution authority of the Company's board of directors~~equity incentive plan and employee stock ownership plan; and
- ~~(16)~~(13) To consider and approve other matters which are required to be determined at the shareholders' meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or these Articles of Association.

The shareholders' meeting may authorize the board of directors to make resolutions on issuing corporate bonds. In addition to the aforementioned matters, the powers of the shareholders' meeting may not be exercised by the board of directors or by other institutions and individuals on its behalf by way of authorization.

Transactions in which the Company unilaterally obtains benefits, including receipt of cash assets as gifts, debt relief, guarantees and subsidies, may be exempted from the shareholders' meeting agenda as stipulated ~~in item 12~~ under the first paragraph in this Article. Transactions between the Company and its controlled subsidiaries under the scope of its consolidated statements or among the above controlled subsidiaries are exempted from the shareholders' meeting agenda as set ~~in item 12~~out under the first paragraph in this Article, unless otherwise stipulated or damaging the legitimate interests of shareholders.

~~**Article 44** If the Company's provision of financial assistance to external parties falls under any of the following circumstances, it must be reviewed and approved in the shareholders' meeting:~~

- ~~(1) The asset-liability ratio of the investee for the latest period exceeds 70%;~~
- ~~(2) The amount of lump sum financial assistance or the cumulative amount of financial assistance provided within twelve consecutive months exceeds 10% of the Company's latest audited net assets; or~~
- ~~(3) Any other situations stipulated by the CSRC, the NEEQ, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed or the Articles of Association.~~

~~The Company shall not provide any funds or other financial assistance to related (connected) parties such as by its directors, supervisors, senior management officers, controlling shareholders, actual controllers or the enterprises that they control.~~

~~If the external financial assistance is not recovered when overdue, the Company shall not continue to provide any existing or additional financial assistance to the same party.~~

~~**Article 45**~~**Article 4546** The following external guarantees by the Company must be reviewed and approved in the shareholders' meeting:

- ~~(1) Single guarantee with an amount exceeding 10% of the Company's latest audited net assets;~~
- ~~(2) Guarantee provided in addition to the external guarantee of the Company and its controlled subsidiaries with a total amount exceeding 50% of the Company's latest audited net assets;~~
- ~~(3) Guarantees provided for investees whose asset-liability ratio is over 70%;~~
- ~~(4) GuaranteeExternal guarantees of the Company with anthe total amount exceeding 30% of the Company'ssits latest audited total assets based on the principle of the accrued guarantee amount for twelve consecutive months.~~

(5) Guarantees provided by the Company to others within one year that exceed 30% of the latest audited total assets of the Company;

(4)(6) Guarantees provided to shareholders, de facto controllers and their related parties; or

(5)(7) Any other guarantees stipulated by the CSRC, the NEEQ, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed or the Articles of Association.

If the Company provides guarantees for its wholly-owned subsidiaries, or provides guarantees for its controlled subsidiaries when other shareholders of such controlled subsidiaries provide guarantees in the same proportion of their interests without prejudice to the interests of the Company, it may be exempted from the applicable requirements from items 1 to 35 of paragraph 1 under this Article, in compliance with the Hong Kong Listing Rules.

If the Company provides guarantees to related (connected) parties, it should be conducted with reasonable business logic and proposed to the shareholders' meeting for review after being reviewed and approved by the board of directors.

~~If the Company provides guarantees for shareholders, actual controllers and their related (connected) parties, it shall be proposed to the shareholders' meeting for review. If the Company provides guarantees for the controlling shareholder, actual controllers and their related (connected) parties, such controlling shareholder, actual controllers and their related (connected) parties shall provide counter-guarantees.~~

**Article 46** ~~If a transaction (other than the provision of guarantees) of the Company belongs to one of the following, it shall be proposed to the shareholders' meeting for review:~~

~~(1) A transaction with its total assets (if there exist both the book value and the appraised value, whichever is higher) or transaction amount accounting for more than 50% of the Company's audited total assets for the most recent accounting year;~~

~~(2) A transaction with its net assets or transaction amount accounting for more than 50% of the absolute value of the Company's audited net assets for the most recent accounting year and exceeding RMB15 million; or~~

~~(3) Review of the purchase and sale of major assets by the Company within one year with an amount exceeding 30% of the Company's latest audited total assets.~~

**Article 47** ~~The following related (connected) transactions of the Company must be reviewed and approved in the shareholders' meeting:~~

~~(1) Transactions with related (connected) parties with its transaction amount (excluding the provision of guarantees) accounting for more than 5% of the Company's latest audited total assets and exceeding RMB30 million; or~~

- ~~(2) Transactions accounting for more than 30% of the Company's latest audited total assets;~~

~~For ordinary related (connected) transactions with related (connected) parties every year, the Company can make a reasonable estimate of the total amount of related (connected) transactions that will occur during the year before disclosing the annual report for the previous year, and propose the estimated amount to the board of directors or the shareholders' meeting for review; and if the actual amount exceeds the estimated amount, the Company shall proceed with corresponding procedures on matters in relation to the excess amount.~~

~~The Company shall propose the following transactions to the board of directors or shareholders' meeting for review and approval based on the principle of accrual for twelve consecutive months:~~

- ~~(1) Transactions with the same related (connected) parties; or~~
- ~~(2) Transactions with a target of conducting transaction with different related (connected) parties;~~

~~The same related (connected) parties mentioned above include legal persons or other organizations that are controlled by the same actual controller as related (connected) parties or that are under an equity control relationship or that have the same natural persons as their directors or senior management officers. Those who have fulfilled relevant obligations in accordance with the provisions of this article will no longer be included in the scope of accrual.~~

~~When the Company conducts the following related (connected) transactions with related (connected) parties, it may be exempted from the review as the related (connected) transactions:~~

- ~~(1) Subscription by one party in cash of publicly issued stocks, corporate bonds, convertible corporate bonds or other securities of the other party;~~
- ~~(2) Underwriting by one party as a member of the underwriting syndicate of publicly issued stocks, corporate bonds, convertible corporate bonds or other securities of the other party;~~
- ~~(3) Collection by one party of dividends, bonuses or remuneration in accordance with the resolution of the shareholders' meeting of the other party;~~
- ~~(4) Participation of one party in the public tender or auction of the other party, except where it is difficult to reach a fair value through such tender or auction;~~
- ~~(5) Transactions in which the Company obtains unilateral benefits, including receipt of cash assets as gifts, debt relief, guarantees and subsidies;~~
- ~~(6) Pricing of related party (connected) transactions which is nationally stipulated;~~

- ~~(7) Provision of funds by related (connected) parties to the Company with the interest rate not higher than the benchmark loan interest rate for the same period stipulated by the PBOC and with no corresponding guarantee by the Company for this financial assistance;~~
- ~~(8) Provision of products and services by the Company to its directors, supervisors and senior management officers on the same transaction conditions as non-related (connected) parties; or~~
- ~~(9) Any other transactions recognised by the CSRC, the NEEQ, securities regulatory authorities where the Company's shares are listed and the Hong Kong Stock Exchange.~~

~~Article 48~~Article 47 A shareholders' meeting shall either be an annual general meeting or an extraordinary general meeting. Annual shareholders' meetings shall be held once every year and within 6 months from the close of the preceding accounting year.

The Company shall convene an extraordinary general meeting within two months from the occurrence of any of the following circumstances:

- (1) When the number of directors is less than the number stipulated in Company Law or two-thirds of the number specified in the Articles of Association;
- (2) When the unrecovered losses of the Company amount to one-third of the total amount of its share capital;
- (3) When any shareholder individually or jointly holding 10% or more of the Company's shares ~~requests in writing for the convening of an extraordinary general meeting~~(excluding treasury shares) makes a request;
- (4) When it is deemed necessary by the board of directors;
- (5) When it is proposed to be convened by the ~~board of supervisors;~~Audit Committee; or
- ~~(6) When the number of independent directors (with the same meaning as "independent non-executive directors", the same as below) is less than the quorum; or~~
- ~~(7)~~(6) Any other circumstances stipulated in the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association.

The number of shares held as mentioned in subparagraph (3) above shall be subject to the number of shares held on the date when the shareholder submits a written request.

**Article 4948** The Company shall convene a shareholders' meeting at the Company's domicile or at a place designated by the convener of the shareholders' meeting; venue clearly stated in the meeting notice.

The shareholders' meeting will be held in the form of an on-site meeting in a location set for it; or in a form which is combined with electronic communication. Upon the issue of the notice of a shareholders' meeting, the venue for the on-site meeting may not be changed without justifiable reason. If changes are necessary, the convener shall issue an announcement at least two working days before the on-site meeting and explain the reasons. The time and location of the on-site meeting should be chosen for easy participation of shareholders. The Company shall ensure the legitimacy and effectiveness of shareholders' meeting and the convenience for shareholders to participate in the meeting. Reasonable discussion time for each proposal should be allowed in the shareholders' meeting. ~~The Company will also provide other channels such as online or electronic communication for easy participation of shareholders in the shareholders' meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed. Shareholders who participate in the shareholders' meeting through the above methods are deemed to be present in the meeting.~~

Provided that it is legal and valid for the shareholders' meetings and that the conditions are met, the Company may by means of various modern information technology to facilitate shareholders' participation in the shareholders' meetings. Shareholders who have participated in the shareholders' meeting virtually through the aforementioned technologies shall be deemed to be present and may vote electronically via the Internet.

When the Company convenes a shareholders' meeting using electronic communication or adopts online voting, it shall comply with the Company Law and the relevant regulations of the securities regulatory authorities and the stock exchanges where the Company's shares are listed.

**Article 5049** In convening an ~~extraordinary~~ shareholders' meeting, the Company may employ a lawyer to provide legal opinions on the following issues:

- (1) Whether the convening of the meeting and its procedures comply with laws, administrative regulations and the Articles of Association;
- (2) Whether the qualifications of the attendees and the convener are lawful and valid;
- (3) Whether the voting procedures and results of the meeting are lawful and valid; and
- (4) Legal opinions on other relevant issues at the request of the Company.

**Section 34 Convocation of Shareholders' Meeting**

**Article 51 A-50** ~~The board of directors shall convene a shareholders' meeting on time within the prescribed period. With the consent of a majority of the independent non-executive directors, the independent non-executive directors have the right to propose to the board of directors to convene an extraordinary general meeting. In response to a proposal from independent non-executive directors that request to convene an extraordinary general meeting, the board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, give written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within 10 days upon receipt of the proposal.~~

If the board of directors agrees to convene an extraordinary general meeting, the board of directors ~~will~~should issue a notice of convening the shareholders' meeting within 5 days after the board of directors' resolution is made; and if the board of directors disagrees to convene an extraordinary general meeting, it ~~will~~should state the reasons and make an announcement.

**Article 5251** ~~The board of supervisors~~Audit Committee has the right to propose to the board of directors to convene an extraordinary general meeting and shall submit such proposal to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, give written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within 10 days upon receipt of the proposal.

If the board of directors agrees to convene an extraordinary general meeting, the board of directors will issue a notice of convening the shareholders' meeting within 5 days after the board of directors' resolution is made, and any changes to the original proposal contained in the notice shall be approved by the ~~board of supervisors~~Audit Committee.

If the board of directors disagrees to convene an extraordinary general meeting or fails to provide feedback within 10 days upon receipt of the proposal, it shall be deemed that the board of directors is unable to perform or fails to perform its duty to convene the shareholders' meeting, and the ~~board of supervisors shall~~Audit Committee may convene and preside over the ~~extraordinary general meeting~~ of its own accord.

**Article 5352** Shareholders individually or jointly holding 10% or more of the Company's shares ~~have the right to request~~(excluding treasury shares) who have requested the board of directors to convene an extraordinary general meeting, ~~and~~ shall submit such request to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, give written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within 10 days upon receipt of the request.



If the board of directors agrees to convene an extraordinary general meeting, the board of directors will issue a notice of convening the shareholders' meeting within five days after the board of directors' resolution is made, and any changes to the original request contained in the notice shall be approved by the shareholders concerned.

If the board of directors disagrees to convene an extraordinary general meeting or fails to provide feedback within 10 days upon receipt of the request, shareholders individually or jointly holding 10% or more of the Company's shares (excluding treasury shares) shall have proposed to the right to propose to the board of supervisors~~Audit Committee~~ to convene an extraordinary general meeting and shall submit such request to the ~~board of supervisors~~Audit Committee in writing.

If the ~~board of supervisors~~Audit Committee agrees to convene an extraordinary general meeting, the board of supervisors will issue a notice of convening the shareholders' meeting within five days upon receipt of the request, and any changes to the original request contained in the notice shall be approved by the shareholders concerned.

If the ~~board of supervisors~~Audit Committee fails to issue the notice of convening the extraordinary general meeting within the prescribed period, it shall be deemed that the ~~board of supervisors~~Audit Committee does not convene and preside over the shareholders' meeting, in which case shareholders individually or jointly holding 10% or more of the Company's shares (excluding treasury shares) for more than 90 consecutive days can convene and preside over the shareholders' meeting of its own accord. ~~Prior to the announcement of the resolution adopted at the shareholders' meeting, shareholders convening the shareholders' meeting shall jointly hold 10% or more of the Company's shares.~~

~~When shareholders individually or jointly holding 10% or more of the Company's shares request to convene an extraordinary general meeting, the board of directors and the board of supervisors shall make a decision on whether to convene the extraordinary general meeting and reply to the shareholders in writing within 10 days upon receipt of the request.~~

**Article 5453** If the ~~board of supervisors~~Audit Committee or the shareholders decide to convene the shareholders' meeting of their own accord, they shall notify the board of directors in writing.

If the shareholders decide to convene the shareholders' meeting of their own accord, the shareholders convening the meeting shall jointly hold 10% or more of the Company's shares (excluding treasury shares) prior to the announcement of the resolution adopted at the shareholders' meeting.

**Article 5554** ~~The board of directors and the secretary to the board of directors shall cooperate and fulfill their information disclosure obligations in a timely manner for a shareholders' meeting convened by the board of supervisors~~Audit Committee or shareholders of its own accord. The board of directors shall provide a register of shareholders of the Company as of the record date.



**Article 5655** All necessary expenses incurred for the shareholders' meeting convened by the ~~board of supervisors~~ Audit Committee or shareholders of their own accord in accordance with the law shall be borne by the Company.

#### **Section 45 Proposals and Notices of the Shareholders' Meeting**

**Article 5756** Content in proposals shall fall within the scope of functions and powers of the shareholders' meeting with clear topics and specific resolutions and shall be in compliance with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 5857** When the Company convenes a shareholders' meeting, the board of directors, the ~~board of supervisors~~ Audit Committee and shareholders individually or jointly holding 1% or more of the Company's shares are entitled to submit proposals to the Company.

Shareholders individually or jointly holding 1% or more of the Company's shares may make a provisional proposal and submit it in writing to the convener 10 days prior to the convening of the shareholders' meeting. The convener of the shareholders' meeting shall issue a supplemental notice of shareholders' meeting within two days upon receipt of such proposal, setting out the content of the provisional proposal and submitting such provisional proposal to the shareholders' meeting for consideration; provided, however, that the provisional proposal shall be in compliance with the provisions of the laws, administrative regulations or the Articles of Association or shall fall within the scope of functions and powers of the shareholders' meeting.

Except as provided in the preceding paragraph, the convener shall not modify the proposals listed in the notice of the shareholders' meeting or add new proposals after issuing the notice of shareholders' meeting. ~~No vote or resolutions shall be cast or passed in the shareholders' meeting on proposals that are not listed in the notice of shareholders' meeting or that do not comply with laws, regulations and the Articles of Association.~~

For proposals not listed in the notice of shareholders' meeting or not in line with the requirements of these Articles of Association, voting and the passing of resolution are not allowed in shareholders' meetings.

In the notices of shareholders' meetings and their supplementary notices, the specific content of the proposal as well as all the information or explanations needed to enable shareholders to make reasonable judgments on the matters to be discussed should be adequately and completely disclosed.

**Article 5958** The convener shall notify all the shareholders 21 days prior to the convening of an annual general meeting and 15 days prior to the convening of an extraordinary general meeting.

When calculating the aforementioned notice period, the Company excludes the date on which the meeting is held. With the consent of more than two-thirds of the voting rights represented by the shareholders (including their proxies) present at the meeting, the period of advance notice which shall be set out in the meeting minutes may be waived and the resolution adopted at such shareholders' meeting shall be lawful and valid.

**Article 6059** The notice of shareholders' meeting shall include the following:

- (1) Time, location and duration of the meeting;
- (2) Matters and proposals submitted to the meeting for consideration;
- (3) Explanation in obvious words: All the shareholders have the right to attend the shareholders' meeting and may appoint a proxy who does not have to be a shareholder of the Company in writing to attend the meeting and to participate in voting;
- (4) Record date of shareholders who have the right to attend the shareholders' meeting in the register of shareholders;
- (5) Name and telephone number of the standing contact person for conference affairs;
- (6) Voting time and procedures (if any) for online or other channels; and
- (7) Any other content stipulated in laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed.

The interval between the record date in item 4 above and the meeting date shall be no more than 7 trading days and shall be later than the disclosure time of the announcement. Once the equity is confirmed on the record date, it shall not be changed.

**Article 6160** If it is intended to discuss the election of directors ~~and supervisors~~ on the shareholders' meeting, biographic details of the director ~~and supervisors~~ candidates, including at least the following, will be sufficiently disclosed in the shareholders' meeting notice:

- (1) Educational background, working experience, part-time job and other personal information;
- (2) Whether there is a related (connected) relationship with the Company or the Company's controlling shareholder and actual controller;

- (3) ~~Disclosure of their~~Their number of shares in the Company;
- (4) ~~Whether any of the circumstances stipulated under Article 178 of the Company Law exists;~~
- (5)(4) Whether they have received punishment from the CSRC or other relevant departments or have been put under correction by any stock exchange; and
- (6)(5) Any other content stipulated in laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed.

Except adopting the accumulative voting system to elect directors ~~and supervisors~~, each of the director ~~and supervisors~~ candidates shall be proposed separately.

~~Article 62~~ Article 61 Unless otherwise provided in these Articles of Association, notices of shareholders' meetings shall be given in accordance with the manner specified in Article 158 of these Articles of Association, and the recipient's address shall be the address registered in the register of shareholders (there is no prohibition against giving notices to shareholders whose registered address is outside Hong Kong). Shareholders' meeting notices can also be issued via public announcement.

Notices of shareholders' meetings, circulars for shareholders and related documents may be published on the Company's website and the websites designated by the Hong Kong Stock Exchange, in compliance with laws, administrative regulations, the Hong Kong Listing Rules and these Articles of Association. Once the announcement is made, all the shareholders shall be deemed to have received the notice of the relevant shareholders' meeting.

After giving the notice of convening the shareholders' meeting, without justifiable reasons, such shareholders' meeting shall not be adjourned or canceled and the proposals specified in such notice shall not be canceled. ~~If the shareholders' meeting is necessary to be adjourned or canceled~~ In the event of adjournment or cancellation, the Company shall announce at least 2 trading days prior to the originally scheduled date of the shareholders' meeting with ~~detailed~~ reasons stated.

### **Section 56 Convening of the Shareholders' Meeting**

~~Article 63~~ Article 62 The board of directors and other conveners of the Company shall take the necessary measures to ensure the normal order of the shareholders' meeting will be taken to stop interference with the shareholders' meeting, provocations and detriment to the legitimate rights and interests of shareholders.

**Article 6463** ~~The shareholders' meeting will be held in the form of an on-site meeting in a location set for it.~~ All shareholders registered on the record date or their proxies are entitled to present at the shareholders' meeting, and exercise their voting rights in accordance with relevant laws and regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Shares held by the Company that carry no voting rights shall not be counted toward the total number of shares with voting rights held by shareholders attending the shareholders' meeting.

Subsidiaries under the control of the Company are not allowed to acquire shares of the Company. If such shares are held for special reasons, the situation shall be eliminated in accordance with the laws within one year. Before the above situation is eliminated, the relevant subsidiaries shall not exercise the voting rights corresponding to the shares held, which shall not be counted towards the total number of shares with voting rights of the shareholders present in the meeting.

A shareholder may attend the shareholders' meeting in person or appoint a proxy who needs not be a shareholder of the Company to attend and vote on his/her behalf. Where a shareholder is a recognized clearing house (or its proxies) as defined in the relevant regulations enacted in Hong Kong from time to time, it may authorize its corporate representative or one or more persons as it deems fit to act as its proxy(ies) at any shareholders' meeting. If a shareholder authorizes a proxy to attend the shareholders' meeting, he/she shall specify the authorized matters, authority and period for such proxy.

**Article 6564** Individual shareholders attending the meeting in person shall present their own identity cards or other valid documents or certificates that can indicate their identity; and proxies attending the meeting under shareholders' authorization shall present their own valid identity certificates and the shareholders' power of attorney.

Where a shareholder is a legal person or other institution, its legal representative/managing partner or a proxy authorized by the legal representative/managing partner shall be entitled to attend the shareholders' meeting. The legal representative/managing partner attending the meeting shall present his/her own identity card and valid proof that can indicate his/her qualification as the legal representative/managing partner. If a proxy is authorized to attend the meeting, the authorized matters, authority and period for such proxy shall be specified and the proxy shall present his/her own identity card and the written power of attorney issued by the legal representative/managing partner of the shareholder as a legal person or other institution in accordance with the laws and exercise the voting right within the scope of authorization.

Where such shareholder is a recognized clearing house (or its proxy) as defined in the relevant regulations enacted in Hong Kong from time to time, it may authorize one or more persons as it deems fit to act as its representative(s) at any shareholders' meeting, provided that, if more than one person is so authorized, the power of attorney shall specify the number and class of shares in respect to which the person is so authorized and shall be signed by the authorizing person of the recognized clearing house. The person so authorized may attend the meeting (unnecessary to present share certificates, with notarized authorization and/or further evidence to confirm formal authorization) and exercise the rights (including the right to speak and vote) on behalf of the recognized clearing house (or its proxies) as if such person were an individual shareholder of the Company.

**Article 6665** The power of attorney issued by the shareholder for someone to attend the shareholders' meeting shall include the following:

- (1) Name of the principal and the type and number of shares of the Company on their hands;
- (2) Name of the proxy;~~Whether voting rights are granted to the proxy;~~
- (3) ~~Instructions~~Specific instructions from the shareholder, including instructions on voting for, against, or abstaining on each item on the agenda of the shareholders' meeting;
- (4) Date of issuance and expiration date of the power of attorney;
- (5) Signature (or stamp) of the principal. If the principal is a corporate shareholder or institutional shareholder, seal of the corporate shareholder or institutional shareholder shall be affixed; and
- (6) Any other content stipulated by laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.

~~The instrument appointing a voting proxy shall be placed at the domicile of the Company or at such other places as specified in the notice of convening the meeting 24 hours prior to convening of the meeting at which the proxy is authorized to vote or 24 hours prior to the designated time of voting. Where the instrument is signed by another person authorized by the principal, the authorization letter or other documents authorizing the signatory shall be notarized. The notarized authorized letter or other authorized documents shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other places as specified in the notice of convening the meeting.~~

~~Where the principal is a legal person, its legal representative or the person authorized by resolution of its board of directors or other decision-making body shall be entitled to attend the shareholders' meetings of the Company as the representative of such legal person.~~

**Article 6766** The power of attorney shall indicate whether the shareholder's proxy can vote of his or her own accord if the shareholder does not provide any specific instructions.

**Article 6867** If the power of attorney authorizing voting rights is authorized by the principal to be signed by others, the power of attorney signed under the authorization or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents and the voting proxy form shall be kept at the Company's domicile or at other places as may be specified in the notice of convening the meeting. ~~If the principal is a legal person, its legal representative or a person authorized by resolution of the board of directors or other decision-making body shall attend the Company's shareholders' meeting as a representative.~~

**Article 6968** The Company is responsible for preparing a meeting register of attendees. The meeting register shall state the names of the participants (or the participating entities), their identity numbers, ~~residential addresses~~, the number of shares held or represented with voting rights, the names of the principals (or the authorizing entities) and other matters.

~~**Article 70** The convener and the lawyer appointed by the Company will jointly verify the legality of shareholder qualifications based on the shareholder register provided by the securities registration and clearing institution, and will register the names of shareholders and the number of shares with voting rights on their hands. Registration for the meeting shall be terminated before the chairman of the meeting announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights on their hands.~~

~~**Article 71** When the shareholders' meeting is convened, all the~~**Article 69** ~~If directors, supervisors and the secretary to the board of directors of the Company shall attend the meeting, and the general manager and other and senior management officers are required to attend the shareholders' meeting, they shall attend the meeting as non-voting participants and answer questions raised by the shareholders.~~

**Article 7270** A shareholders' meeting shall be presided 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, a director jointly elected by a majority of the directors shall preside over the meeting.

~~A shareholders' meeting~~Shareholders' meetings convened by the board of supervisorsAudit Committee of its own accord shall be presided over by the chairman of convener in the board of supervisors. Audit Committee. If the chairman of convener in the board of supervisorsAudit Committee is unable or fails to perform his/her duties, a supervisor~~member of the Audit Committee~~ jointly electednominated by a majority of the supervisorAudit Committee members shall preside over the meeting.

The shareholders' meeting convened by shareholders of their own accord shall be presided over by the convener or a representative elected by the convener.

When a shareholders' meeting is convened and the chairman violates the rules of procedure in a way that makes it impossible for the shareholders' meeting to continue, a person may be elected at the shareholders' meeting to act as the chairman so as to carry on with the meeting, subject to the approval of a majority of the attending shareholders holding voting rights.

**Article 7371** The Company shall formulate rules of procedure for the shareholders' meeting, specifying in detail the convening and voting procedures thereof, including notification, registration, review of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, meeting minutes and their signatures as well as the authorization principles for the board of directors at the shareholders' meeting. Function and power of the shareholders' meeting shall be exercised under the scope stipulated in the Company Law and the Articles of Association, with clear and specific authorization details. The statutory function and power of shareholders' meeting shall not be delegated to the board of directors. The rules of procedure of the shareholders' meeting, which shall be attached to the Articles of Association, shall be drawn up by the board of directors and approved in the shareholders' meeting.

**Article 7472** At the annual general meeting, the board of directors ~~and the board of supervisors~~ shall report in the shareholders' meeting their work over the past year. Independent non-executive directors should submit an annual work report that complies with relevant laws and regulations in the Company's annual shareholders' meeting, explaining their performance of duties.

**Article 7573** Directors, ~~supervisors~~ and senior management officers shall provide explanations and illustrations to shareholders' inquiries and suggestions at shareholders' meetings.

**Article 7674** The chairman of the meeting shall, before voting, announce the number of shareholders and proxies attending the on-site meeting and the total number of shares with voting rights which are subject to the meeting register.

**Article 7775** The shareholders' meeting have meeting minutes, which shall be taken by the ~~secretary to the board of directors~~, and include the following:

- (1) Time, location, agenda ~~and~~ or name of the convener of the meeting;
- (2) The names of the meeting chairman and the directors, ~~supervisors, the general manager and other~~ and senior management officers ~~appearing in or~~ attending the meeting as non-voting participants;



- (3) Number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by such shareholders and the proportion over total shares of the Company;
- (4) Consideration and approval process, key points of discussion, and voting results for each proposal;
- (5) Shareholders' inquiries or suggestions and corresponding responses or explanations;
- (6) Names of ~~lawyers and~~ tellers and scrutineers; and
- (7) Any other content that shall be recorded in the meeting minutes in accordance with the Articles of Association and laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.

**Article 7876** ~~The convener shall ensure that the meeting minutes is true, accurate and complete. The directors, secretary to the board of directors, convener or its representative and meeting chairman who have appeared in and attended the meeting shall sign the meeting minutes and ensure that the content in the meeting minutes is true, accurate and complete. The minutes of the meeting shall be kept together with the guest book for shareholders present in the meeting, the power of attorney for proxy and the valid information on voting online and via other channels, for a record period of no less than 10 years.~~

**Article 7977** The convener shall ensure the continuity of shareholders' meeting until the final resolution is reached. If the shareholders' meeting is suspended or unable to reach any resolutions due to force majeure or other special reasons, necessary measures should be taken to resume the shareholders' meeting as soon as possible or to directly terminate the shareholders' meeting with a timely announcement.

~~**Article 80** If an annual shareholders' meeting is held and online voting is allowed, a lawyer shall be appointed to issue legal opinion on the convening and the procedures of the shareholders' meeting, the qualifications of the attendees and the convener, the voting procedures and results as well as other matters related to the meeting.~~

### **Section 67 Voting and Resolutions of Shareholders' Meetings**

**Article 8178** Resolutions of shareholders' meeting are classified as ordinary resolutions and special resolutions.

Ordinary resolutions of the shareholders' meeting shall be passed by a majority of the voting rights represented by the shareholders ~~(including proxies)~~ present at the meeting.

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



**Article 8279** The following matters shall be resolved by way of ordinary resolutions at a shareholders' meeting:

- (1) Work reports of the board of directors ~~and the board of supervisors;~~
- (2) Plans for profit distribution and recovery of losses drafted by the board of directors;
- (3) Appointment or removal of members of the board of directors and ~~the board of supervisors~~ and their remuneration and method of payment thereof; and
- ~~(4) The Company's annual report; and~~
- ~~(5)~~(4) Any other matters other than those required by the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association to be approved by special resolution.

**Article 8380** The following matters shall be resolved by way of special resolutions at a shareholders' meeting:

- (1) Increase or reduction of the registered capital of the Company;
- (2) Demerger, merger, dissolution and liquidation of the Company or change of corporate form of the Company;
- (3) Amendment to the Articles of Association;
- (4) Purchase or disposal of material assets or provision of guarantee to others by the Company within a year of a value exceeding 30% of the Company's latest audited total assets;
- (5) Share incentive plans; and
- (6) Any other matters prescribed by the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association and those matters approved by ordinary resolution at a shareholders' meeting as having a material impact on the Company and therefore required to be approved by a special resolution.

**Article 8481** Shareholders (~~including proxies~~) shall exercise their voting rights in accordance with the number of shares with voting rights represented by them, and each share entitles the shareholder to one voting right. On a poll taken at a meeting, a shareholder (including proxies) entitled to two or more votes need not cast all his/her votes in the same way.

Shares held by the Company that carry no voting rights shall not be counted toward the total number of shares with voting rights held by shareholders attending the shareholders' meeting.

When major matters affecting the interests of small and medium-sized investors are considered in the shareholders' meeting, the votes of small and medium-sized investors shall be counted separately. The results of the separated voting results should be disclosed to the public in a timely manner.

The board of directors, independent non-executive directors, shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the requirements of the securities regulatory authorities of the place where the Company's shares are listed may serve as collectors, who may, on their own or by entrusting a securities company or securities service provider, publicly request the Company's shareholders to appoint them as their proxies to attend the shareholders' meeting and to exercise their rights of shareholders such as proposal rights and voting rights on their behalf. When soliciting shareholders' voting rights, information such as specific voting intentions must be fully disclosed to the persons whose rights are solicited. It is prohibited to collect shareholders' voting rights with consideration or indirect benefits. Except for statutory conditions, the Company may not impose restrictions on minimum shareholding ratio during the solicitation of voting rights. If the public solicitation of shareholders' rights violates laws, administrative regulations or relevant requirements of the securities regulatory authorities under the State Council, causing losses to the Company or its shareholders, the collector shall be liable for the compensation in accordance with the laws.

**Article 8582** Shareholders who have related (connected) relationship with matters proposed to be considered at the shareholders' meeting shall abstain from voting, and shares with voting rights they hold shall not be counted toward the total number of shares with voting rights held by shareholders attending the shareholders' meeting; and the announcement of resolutions of the shareholders' meeting shall fully disclose the voting situation unless otherwise provided by laws, regulations, departmental rules, Business Rules, the Hong Kong Listing Rules and other securities regulating rules of the place where the Company's shares are listed, and all the shareholders are related (connected) parties.

The abstention and voting procedures for related (connected) shareholders are as follows:

- (1) Related (connected) shareholders or other shareholders apply for abstention;
- (2) A resolution, which decides whether the shareholders are related (connected) shareholders and whether the shareholders shall abstain from voting, is passed by a majority of the voting directors of the board of directors;

- (3) Related (connected) shareholders shall not participate in the consideration of related (connected) transaction matters, and shall not be present for the consideration; and
- (4) When related (connected) transaction matters are voted at the shareholders' meeting, non-related (connected) shareholders attending the shareholders' meeting shall vote according to the relevant provisions of the Articles of Association after deducting the number of shares with voting rights represented by related (connected) shareholders.

**Article 8683** The Company shall provide convenience for shareholders to participate in the shareholders' meeting through various methods and channels on the premise of ensuring that the shareholders' meeting is lawful and effective.

**Article 8784** Unless the Company is in crisis or other special circumstances, it will not enter into any contract with anyone other than its directors, general managers and other senior management officers to hand over the management of all or important business of the Company to such person without the approval by a special resolution in the shareholders' meeting.

**Article 8885** The candidate list of directors ~~and supervisors~~ shall be submitted in the shareholders' meeting for voting in the form of proposals.

When directors ~~and supervisors~~ are elected in shareholders' meeting, the opinions of small and medium-sized shareholders should be fully reflected. When votes are cast in the shareholders' meeting on the election of directors ~~and supervisors~~, the accumulative voting system may be implemented in accordance with the Articles of Association or the resolution of the shareholders' meeting. When directors are elected in the shareholders' meeting, the votes of independent non-executive directors and non-independent directors shall be cast separately.

Small and medium-sized shareholders refer to shareholders other than the Company's directors, ~~supervisors~~, senior management officers and their related (connected) parties as well as other shareholders who individually or collectively hold more than 10% of the Company's shares and their related (connected) parties.

The accumulative voting system mentioned in the preceding paragraph means that, when directors ~~or supervisors~~ are elected in the shareholders' meeting, each share has the voting rights of the same number as the number of directors ~~or supervisors~~ to be elected, and the voting rights owned by the shareholders can be used collectively. The board of directors shall make announcement to shareholders for the resumes and basic information of candidate directors ~~and supervisors~~.

The methods and procedures for nomination of directors ~~and supervisors~~ are as follows:

- (1) For non-employee representative directors, the board of directors and shareholders who individually or collectively hold more than 1% of the Company's total voting shares will propose a list of director candidates and submit it in the shareholders' meeting for voting in the form of a proposal;

- (2) ~~For non-employee representative supervisors, the board of supervisors and shareholders who individually or collectively hold more than 1% of the Company's total voting shares will propose a list of supervisor candidates and submit it in the shareholders' meeting for voting in the form of a proposal;~~
- (3)(2) The staff representative director ~~or supervisor~~ shall be elected through the Company's staff representative meeting, staff meeting or by other democratic means; and
- (4)(3) For independent non-executive directors, the board of directors and shareholders who individually or collectively hold more than 1% of the Company's total voting shares will propose a list of independent non-executive director candidates and submit it in the shareholders' meeting for voting in the form of a proposal;

**Article 8986** When the accumulative voting system is implemented in the shareholders' meeting to elect directors ~~and supervisors~~, it shall abide by the following rules:

- (1) The number of candidates for directors ~~or supervisors~~ may be greater than the number of candidates to be elected in the shareholders' meeting, but the number of candidates for or against whom each shareholder may vote cannot exceed the number of directors ~~or supervisors~~ to be elected in the shareholders' meeting, and the total number of votes allocated cannot exceed the number of votes owned by shareholders, or otherwise the vote will be invalidated;
- (2) The final successful candidates will be determined according to the order of the number of votes received by the director ~~or supervisor~~ candidates, but the minimum votes obtained by each successful candidate must exceed half of the total shares held by shareholders (including proxies) attending the shareholders' meeting. If the number of elected directors ~~or supervisors~~ is less than the number of directors ~~or supervisors~~ to be elected in the shareholders' meeting, all the director ~~or supervisor~~ candidates who do not have enough votes should be voted again for the vacancies. If the vacancies cannot be filled up, by-election will be held at the Company's next session of shareholders' meeting. If more than two director ~~or supervisor~~ candidates receive the same number of votes, only some candidates can be successful as a results of the limited quota proposed for election, and those director ~~or supervisor~~ candidates who receive the same number of votes need to be re-elected by poll separately.

**Article 9087** In addition to the accumulative voting system, all the proposals shall be voted separately in the shareholders' meeting. If there are different proposals for the same matter, voting shall be carried out based on the chronological order of the proposal submission time. Shareholders shall not vote in favor of all the various proposals for the same matter at the shareholders' meeting.

Unless the shareholders' meeting is suspended or a resolution cannot be passed due to special reasons such as force majeure, no proposal could be stayed or rejected for voting in the shareholder's meeting.

**Article 9188** When a proposal is being considered in the shareholders' meeting, no modifications could be made to the proposal, or otherwise the relevant changes would be regarded as a new proposal which cannot be voted at the current shareholders' meeting.

**Article 9289** The same voting right can only be used via either the on-site or other voting methods. If there is repeated voting for the same voting right, the first vote shall be adopted as the result.

**Article 9390** At any shareholders' meeting, voting shall be conducted by open poll.

**Article 9491** Before the shareholders' meeting votes on a proposal, two shareholders' representatives shall be elected to participate in the vote counting and vote scrutiny. When a shareholder has a conflict of interest with a matter being considered, he/she and his/her proxies may not participate in the vote counting or vote scrutiny.

When the shareholders' meeting votes on a proposal, shareholders' representatives ~~and supervisors' representatives~~ shall be ~~jointly~~ responsible for counting and scrutinizing votes and shall announce the voting results at the meeting. The voting results shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies, who have cast their votes via the Internet or by other means, shall have the right to check the voting results in the way in which they have cast their votes.

**Article 9592** The ending time of a shareholders' meeting shall not be earlier than that ~~of~~via the Internet or other access to the meeting. The chairman of the meeting shall announce the voting outcome and results for each proposal, and whether or not such proposal has been passed according to such voting results.

Prior to the formal announcement of voting results, the Company, vote-counters, scrutineers, substantial shareholders, network service provider and relevant parties involved in voting at the shareholders' meeting, via the Internet or by other means, shall be obliged to keep the status of voting confidential.

**Article 9693** A shareholder attending a shareholders' meeting shall express one of the following opinions on any proposal put to vote: for, against or abstention.

If a poll is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his/her right to vote and the voting results for the number of shares that he/she holds shall be recorded as "abstained".

**Article 9794** If the chairman of the meeting has any doubt as to the result of a resolution put to vote at the meeting, he may have the votes counted. If the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy and who objects to the result announced by the chairman of the meeting shall have the right to demand that the votes be counted immediately after the declaration of the voting result, and the chairman of the meeting shall have the votes counted promptly.

**Article 9895** The resolution of the shareholders' meeting shall be announced in a timely manner, stating the number of attending shareholders and proxies, the total number of their voting shares and their percentages to the total number of the voting shares of the Company, the voting methods, the voting result for each proposal, and the details of each resolution passed at the meeting.

An announcement for the shareholders' meeting resolutions shall be promptly made in accordance with laws and regulations, the regulatory rules of the place where the Company's share are listed or the provisions of these Articles of Association, listing the total number of shares with voting rights held and the percentage of the total number of shares with voting rights in the Company, the voting method, the voting results for each proposal and the details of each resolution passed.

**Article 9996** Where a proposal has not been passed or the resolutions of the preceding shareholders' meeting have been changed at the current shareholders' meeting, special mention shall be made in the resolutions of the shareholders' meeting.

**Article 10097** Where a resolution on the election of a director ~~or supervisor~~ is passed at the shareholders' meeting, the newly-elected director ~~or supervisor~~ shall take office when relevant resolution is adopted at the meeting.

**Article 10198** Where a proposal in relation to the payment of cash dividends, the issue of bonus shares or the capitalization of capital reserves has been passed at the shareholders' meeting, the Company shall implement the specific plans within 2 months after the conclusion of the shareholders' meeting.

**Section 78 Special Procedures for Voting by Class Shareholders**

**Article ~~102~~99** Shareholders holding different classes of shares are referred to as class shareholders.

A class shareholder shall enjoy rights and assume obligations in accordance with laws, administrative regulations, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

**Article ~~103~~100** In the event that the Company intends to alter or abolish the rights of class shareholders, such alteration or abolition may only be made after it is passed by special resolution at a shareholders' meeting, and at shareholders' meetings respectively convened by affected class shareholders in accordance with the Articles of Associations.

Changes in or abrogation of the rights of a class of shareholders as a result of changes in the PRC and overseas laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, and decisions made by securities regulatory authorities in the PRC and overseas in accordance with the law, do not require the approval of the shareholders' meeting or the class meeting.

The act of a holder of the Company's domestic shares transferring all or part of its unlisted shares to an overseas investor and having them listed and traded overseas, or the act of converting all or part of its domestic shares into overseas listed shares and having them listed and traded on an overseas stock exchange, shall not be regarded as the Company's intention to change or abrogate the rights of the class shareholders.

**Article ~~104~~101** The following scenarios shall be deemed as alteration or abolition of the rights of a class shareholder:

- (1) Increase or decrease the number of shares of that class, or increase or decrease the number of shares of a class entitled to equal or more voting rights, distribution rights and other privileges as the shares of that class;
- (2) Change all or part of the shares of that class to the shares of another class, or change all or part of the shares of another class to the shares of that class or grant the conversion rights thereto;
- (3) Cancel or reduce the rights owned by the shares of that class to acquire the accrued dividends or cumulative dividends;
- (4) Reduce or cancel the rights owned by the shares of that class to the priority to obtain dividends or the distribution of property during the liquidation of the Company;



- (5) Increase, cancel or reduce the share conversion rights, options, voting rights, transfer rights, priority placement rights and the rights to obtain securities of the Company owned by the shares of that class;
- (6) Cancel or reduce the rights owned by the shares of that class to receive payables from the Company in a particular currency;
- (7) Establish a new class entitled to equal or more voting rights, distribution rights or other privileges as the shares of that class;
- (8) Impose restrictions on or increase such restrictions on the transfer or ownership of the shares of that class;
- (9) Issue share options or share conversion rights in respect of the shares of that or another class;
- (10) Increase the rights and privileges of the shares of other classes;
- (11) A corporate restructuring program constitutes the unproportionate distribution of responsibilities undertaken by the shareholders of different classes in the restructuring; and
- (12) Modify or repeal the clauses hereof.

**Article ~~105~~102** Affected class shareholders, regardless of formerly having the voting rights at shareholders' meetings or not, shall have voting rights at class meetings in relation to matters in items (2) to (8) and (11) to (12) of Article ~~104~~101 hereof. However, interested shareholders shall not have any voting rights at class meetings.

For the purpose of the preceding paragraph, the expression "interested shareholders" shall have the following meanings:

- (1) When the Company makes a repurchase offer to all shareholders by the same proportion in accordance with the Articles of Association, or buys back its own shares through public trading on the Stock Exchange of Hong Kong, "interested shareholders" mean the controlling shareholders as defined under the Articles of Association;
- (2) When the Company repurchases its own shares by agreement outside the Stock Exchange of Hong Kong in accordance with the Articles of Association, "interested shareholders" mean the shareholders in relation to that agreement; and
- (3) In a corporate restructuring program, "interested shareholders" mean the shareholders who undertake obligations at a proportion lower than that of the other shareholders of the same class, or the shareholders having an interest different from that of other shareholders of that class.



**Article ~~106~~103** Resolutions may only be made at a class meeting after they are passed by votes representing more than two-thirds of the shareholders with voting rights present thereat in accordance with Article ~~105~~102 hereof.

**Article ~~107~~104** To convene a class meeting, the Company shall give notice in writing with reference to the time limit for giving notice of annual and extraordinary general meetings as herein provided, notifying all the shareholders of that class of shares on the register of the matters to be considered thereat as well as the date and venue of the meeting.

If the number of voting shares represented by shareholders who intend to attend the meeting amounts to one-half or more of the total number of voting shares of the Company, the Company may convene a class meeting. Otherwise, the Company shall within 5 days give the shareholders further notice of the matters to be considered at the meeting as well as the date and venue of the meeting by way of an announcement. The Company may convene a class meeting after such announcement is made.

**Article ~~108~~105** The notice of a class meeting shall only be given to the shareholders with the rights to vote thereat.

The procedures for convening a class meeting shall be as similar as possible to those for convening a shareholders' meeting. The clauses herein regarding the procedures for convening a shareholders' meeting shall apply to class meetings.

**Article ~~109~~106** Other than the shareholders of other classes of shares, holders of domestic shares and overseas-listed foreign-invested shares shall be regarded as different classes of shareholders.

## Chapter V Board of Directors

## Section 1 Directors

**Article 110**~~107~~ A director of the Company who is a natural person shall not act as the director of the Company under any of the following circumstances:

- (1) Lacking or having limited capacity to engage in civil juristic acts;
- (2) Having been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property or disrupting the economic order of the socialist market, ~~with less than 5 years having elapsed since the completion date of the execution of the penalty~~; or having ever been deprived of political rights due to any crime, with less than 5 years having elapsed since the completion date of the execution of the penalty, or having been granted probation, with less than 2 years having elapsed since the completion date of the probation period;
- (3) Acting as a director, factory director or general manager of a company or enterprise that has been bankrupt and liquidated, whereby the director is personally liable for the bankruptcy of such company or enterprise, with 3 years having not elapsed since the completion date of the bankruptcy and liquidation of the company or enterprise;
- (4) Acting as the legal representative of a company or enterprise, but the business license of this company or enterprise has been revoked and this company or enterprise has been ordered to close due to a violation of the law, whereby the director is personally liable for the revocation, with 3 years having not elapsed since the revocation date of the business license thereof;
- (5) Classified as a dishonest person subject to enforcement due to significant outstanding debts that have become due but have not been paid;
- (6) Prohibited from entering the securities market ~~or recognized as an unsuitable candidate~~ by the CSRC with the penalty period not yet expired;
- (7) ~~Recognized~~Publicly identified by the ~~National Equities Exchange and Quotations~~ or stock exchanges as unsuitable ~~for serving to serve~~ as a director, supervisor~~directors~~ or senior management officer~~officers~~ or any other positions of a company listed companies, with the ~~disciplinary action~~prohibition period not yet expired; or
- (8) Other circumstances as stipulated by the CSRC, ~~National Equities Exchange and Quotations~~, the Hong Kong Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

If a director is elected or appointed in violation of the provisions hereof, such election, appointment or employment shall be null and void. The Company shall terminate the office of a director and suspend his/her duties in the event that the circumstances hereof arise during his/her tenure of office.

**Article ~~111~~108** Directors shall be elected or replaced at the shareholders' meeting for a term of three years, the duties of which may be removed by a shareholders' meeting before the expiration of his/her term of service. Upon maturity of the tenure of office, a director shall be eligible to offer himself/herself for re-election and re-appointment. ~~Before the expiration of the tenure of office, the shareholders' meeting cannot terminate the post of the director without justifiable reasons.~~

The tenure of office of a director shall be calculated from the date of appointment until the expiry of the current term of the board of directors. If the tenure of office of a director expires but re-election is not made in a timely manner, the said director shall continue to perform the duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, and the Articles of Association until the re-elected director assumes office. The director, if resigning, shall notify the Company in writing, and the resignation shall take effect on the date upon receipt of the notification by the Company, provided that the director shall continue to perform the duties as a director if there are circumstances set forth in the preceding paragraph.

~~The shareholders' meeting may resolve to dismiss a director, and the dismissal shall take effect on the date of the resolution. If a director is dismissed before the expiration of his/her tenure of office without justifiable reasons, the director may demand compensation from the Company.~~

A director may concurrently hold the position of ~~the general manager or other~~ a senior management officer. However, the total number of directors who also hold positions as ~~general managers or other~~ senior management officers and those who are employee representatives shall not exceed half of the total number of directors of the Company.

**Article ~~112~~109** Directors shall comply with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the requirements of the Articles of Association, and bear the ~~following~~ duties of loyalty to the Company: They should also take measures to avoid conflicts of interest between themselves and the Company, and must not seek improper benefits by their authority.

~~Not~~ Directors have the following fiduciary duties to exploit their positions to accept bribes or obtain other illegal income, not to expropriate the Company:

- (1) No expropriation of the Company's property;
- (2) Not to misappropriate or misappropriation of the Company's funds;

- (3)(2) Not to open any account in their own name or in any other name for the deposit of the Company's assets or funds;
- (3) No bribery or other illegal income by making use of their positions;
- (4) Not to enter into contracts or transactions with the Company, directly or indirectly, without reporting to the board of directors or the shareholders' meeting ~~on matters relating to the entering into of such contracts or transactions and~~ having such matters resolved by the board of directors or the shareholders' meeting in accordance with the provisions of the Articles of Association;
- (5) ~~Without the consent of the shareholders' meeting, the~~The Company shall not make use of the convenience of its office to obtain for itself or others business opportunities that should belong to the Company; ~~provided, however, that any of the following circumstances shall be excluded: (1), except where it is prohibited from utilizing the business opportunity by~~ reporting to the board of directors or the shareholders' meetings ~~shareholders' meetings and passing a resolution by on the board of directors~~shareholders' meetings or the shareholders' meeting in accordance with the provisions of the Articles of Association; and (2) the Company shall not be able to make use of the business opportunity in accordance with ~~the~~reference to laws, administrative regulations or the provisions of ~~the~~these Articles of Association;
- (6) Not to conduct any businesses similar to those of the Company for themselves or others without reporting to the board of directors or the shareholders' meeting and obtain a resolution from the ~~board of directors or the shareholders' meeting in accordance with the provisions of the Articles of Association;~~
- (7) Not to accept for its own use commissions from others for transactions with the Company;
- (8) Not to disclose any secret of the Company unauthorizedly;
- (9) Not to use their related (connected) relationships to harm the interests of the Company; and
- (10) To fulfill other duties of loyalty stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

The provisions under item (4) above~~under paragraph 2 of this Article~~ shall be applicable to the close family members of the directors, ~~supervisors~~ and senior management officers and the enterprises directly or indirectly controlled by the directors, ~~supervisors~~ and senior management officers or their close family members, and the related (connected) persons who have other related (connected) relationships with the directors, ~~supervisors~~ and senior management officers when they enter into contracts or conduct transactions with the Company.

Directors' income derived from violation of this Article shall belong to the Company; and ~~if the performance of duties is in violation of laws, administrative regulations or the provisions of the Articles of Association,~~ the directors shall be liable to compensate any loss incurred therefrom to the Company.

**Article 110** ~~Article 113~~ Directors shall comply with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, and bear the duty of diligence to the Company by exercising reasonable care, as would be expected of a management officer normally in the performance of their duties for the best interests of the Company:

Directors shall bear the following duties of care~~care~~diligence to the Company:

- (1) To prudently, conscientiously and diligently exercise the rights granted by the Company, so as to ensure that the business practices of the Company comply with national laws, administrative regulations and the requirements of various economic policies of the state, and that its business activities do not fall beyond the scope of business specified in the business license;
- (2) To treat all shareholders impartially;
- (3) To keep informed of the operation and management conditions of the Company;
- (4) To sign the written confirmation in respect of the regular reports of the Company to assure that the information disclosed by the Company is true, accurate and complete;
- (5) To honestly provide the ~~board of supervisors~~Audit Committee with relevant information and data, and not to prevent the ~~board of supervisors or supervisors~~Audit Committee from performing its or their duties and powers; and
- (6) To fulfill other duties of care stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

~~If the controlling shareholders or de facto controllers of the Company do not serve as directors of the Company but actually manage the affairs of the Company, the provisions of Article 112 and Article 113 shall apply.~~

**Article 111** ~~Article 114~~ If any director fails to attend in person or appoint other directors as his/her representative to attend meetings of the board of directors for two consecutive times, such director shall be deemed to have failed to perform his duties, and the board of directors shall propose to replace such director at the shareholders' meeting.

**Article 115112** A director may resign before expiry of his/her term of office, provided that a written resignation report in respect of his/her resignation shall be submitted to the ~~board of directors and the board of directors~~ Company, which shall disclose the relevant information within 2 trading days:

~~The~~after the resignation of a director ~~shall take~~takes effect ~~from on the time when date of receiving the board of directors received the report of resignation, except in report. If~~ the following circumstances:

- ~~(1) The resignation of a director causes the~~resulting number of board members ~~to be~~is less than the quorum; ~~and~~
- ~~(2) The resignation of an independent director will result in the proportion of independent directors on the board of directors or its committees not complying with the provisions of laws and regulations or the Articles of Association, or there is a lack of accounting professionals among the independent directors.~~

~~The~~ due to the resignation of director, the existing director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules, and the Articles of Association before the re-elected director take office, except in the case of a director who intends to resign, there are circumstances that preclude him from being nominated for election as a director of the Company. In the aforementioned circumstances, the resignation report shall not take effect until the successor fills the vacancy created by such director's resignation. Before the resignation report takes effect, the intending resigning directors shall continue to perform their duties as directors. In such cases, the Company shall complete the supplementary election of supervisors within two months.

Save for the circumstances referred to in the preceding paragraph, the director's resignation takes effect upon delivery of his/her resignation report to the board of directors.

**Article 116113** When a director's resignation takes effect or his/her term of office expires, the director shall complete all transfer procedures with the board of directors. His/her duties of loyalty towards the Company and the shareholders do not necessarily cease after the termination of his/her term of office and shall still be in effect for a period of 3 years after the date on which his resignation takes effect or the expiry of his term of office.

**Article 117114** No director may act on behalf of the Company or the board of directors in his/her own name unless the Articles of Association specifies that he/she may do so or he/she is lawfully authorized to do so by the board of directors. A director shall declare his/her position and capacity in advance if, when such director is acting in his/her private capacity, a third party would reasonably assume him/her to be acting on behalf of the Company or the board of directors.

**Article 115** ~~Article 118~~ If damages are inflicted on others while the directors are performing their duties for the Company, the Company will be liable for compensation. Directors who have wilful default or material fault shall also be liable for compensation.

If a director breaches the laws, administrative regulations, departmental rules, or the Articles of Association when performing his/her duties and causes losses to the Company, he/she shall be held responsible for damages.

**Article 116** ~~Article 119~~ The appointment conditions, nomination and election procedures, functions and powers and other related matters of the independent non-executive directors shall be subject to the laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed. Independent non-executive directors exercise the following special powers:

- (1) Independently hiring intermediary institutions to audit, consult, or verify specific matters of the Company;
- (2) Proposing to the board of directors to convene an extraordinary general meeting;
- (3) Proposing to convene a board meeting;
- (4) Publicly soliciting shareholders' rights from shareholders in accordance with the law;
- (5) Giving independent opinions on matters that may damage the interests of the Company or minority shareholders; and
- (6) Other competences stipulated by laws, administrative regulations, relevant provisions of the CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association of the Company.

The exercise of the competences listed in (1) to (3) of this article by the independent non-executive directors shall be approved by a majority of all independent non-executive directors.

The Company shall make a disclosure in a timely manner if an independent non-executive director exercises the powers specified in (1) of this article. If an independent director is unable to exercise the aforesaid powers, the Company shall disclose the specific circumstances and reasons therefor.

The number of independent non-executive directors shall not be less than 3 persons and not be less than one-third of the total number of directors and shall include at least 1 director with appropriate professional qualifications or with appropriate accounting or related financial management expertise in compliance with the requirements of the Hong Kong Listing Rules. One independent non-executive director shall be permanently resident in Hong Kong. All independent non-executive directors shall be independent as required by the Hong Kong Listing Rules.

For matters concerning independent non-executive directors that are not covered in this section, the relevant requirements under relevant laws, regulations, rules and the listing rules of the stock exchange where the Company's shares are listed shall apply.

## Section 2 Board of Directors

**Article ~~120~~117** The Company shall establish a board of directors, which is responsible for the shareholders' meeting.

**Article ~~121~~118** The board of directors shall comprise eight directors. The board of directors shall have one chairman. Members of the Company's board of directors include three independent non-executive directors.

**Article ~~122~~119** The board of directors shall exercise the following functions and powers:

- (1) To convene the shareholders' meeting and report to the shareholders' meeting;
- (2) To implement the resolutions adopted at shareholders' meeting;
- (3) To decide on the Company's business plans and investment plans;
- (4) To formulate the Company's plan for profit distribution and plan for recovery of losses;
- (5) To formulate plans for increases or reductions of the Company's registered capital and plans for the issue and listing of corporate bonds or other securities;
- (6) To formulate plans for material asset acquisition and purchase of the Company's shares, or merger, demerger, dissolution and change of corporate form of the Company;



- (7) Within the authorization scope by the shareholders' meeting, to decide on matters such as external investment, acquisition and sale of assets, pledge of assets, external guarantee matters, entrusted financial management ~~and~~, related (connected) transactions and external donations;
- (8) To decide on the establishment of the Company's internal management structure;
- (9) To appoint or dismiss the Company's general manager; and to appoint or dismiss other senior management officers of the Company, ~~such as chief financial officer and the secretary to the board of directors~~ pursuant to the nomination of the general manager; and to decide on matters of compensation and rewards and penalties;
- (10) To formulate the Company's basic management system;
- (11) To formulate proposals for amendment to the Articles of Association;
- (12) To manage the Company's disclosure matters;
- (13) To propose to the shareholders' meeting for the appointment or replacement of the accounting firm that audits the Company;
- (14) To receive work reports from the Company's general manager and to inspect the general manager's work; and
- (15) To exercise other functions and powers conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

During the recess of meetings of the board of directors, the chairman of the board of directors is authorized to exercise part of the functions and powers of the board of directors on behalf thereof, provided that the board of directors shall make collective decisions on significant matters and shall not authorize the statutory functions and powers to individual directors or other persons.

**Article 123120** The Company's board of directors has established four special committees, namely the Audit Committee, the Nomination Committee, the Remuneration Committee and the Environmental, Social and Corporate Governance (ESG) Committee. The special committees are accountable to the board of directors and perform their duties in accordance with the Articles of Association and the authorization of the board of directors, and their proposals shall be submitted to the board of directors for consideration and approval. The Audit Committee exercises the powers of the board of supervisors as stipulated in the Company Law. The board of directors shall formulate the working rules for each of the special committees of the board of directors and regulate the operation of the special committees. All members of the special committees shall be directors with compositions as follows:

- (1) All members of the Audit Committee shall be non-executive directors not acting as senior management officers in the Company, and shall have no relationship with the Company that may affect their independent and objective judgment. The Audit Committee shall consist of at least three members, including at least one independent non-executive director with appropriate professional qualifications in compliance with the regulatory requirements or with appropriate accounting or related financial management expertise, who shall act as the chairman of the Audit Committee (convener). A majority of the members of the Audit Committee shall be independent non-executive directors;
- (2) A majority of the members of the Nomination Committee shall be independent non-executive directors, and an independent non-executive director shall act as the chairman of the Nomination Committee (convener); and
- (3) A majority of the members of the Remuneration Committee shall be independent non-executive directors, and an independent non-executive director shall act as the chairman of the Remuneration Committee (convener).

Prior to a resolution made by the board of directors, the following matters shall be approved by a majority of all members of the Audit Committee:

- (1) Disclosure of financial information in financial and accounting reports as well as interim reports and internal control evaluation reports;
- ~~(1)(2)~~ The appointment or dismissal of the ~~auditing~~accounting firm responsible for the audit business of ~~the Company~~listed companies;
- ~~(2)(3)~~ The appointment or dismissal of the financial officer of listed companies;
- ~~(3) The disclosure of the financial and accounting reports; and~~
- ~~(4) Other matters prescribed by the securities regulatory authority under the State Council, Hong Kong Stock Exchange or other competent securities regulatory authorities.~~
- (4) Changes in accounting policies or accounting estimates or corrections of significant accounting errors for reasons other than changes in accounting standards;
- (5) Laws, administrative regulations, the requirements of CSRC, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and other matters stipulated in these Articles of Association.

The terms of reference of each of the aforesaid special committees as well as the remuneration appraisal mechanism for directors, ~~supervisors~~ and senior management officers are set out in the detailed terms of reference of the aforesaid special committees.

**Article ~~124~~121** The board of directors of the Company shall explain to the shareholders' meeting when a certified public accountant issues a non-standard audit opinion in respect of the Company's financial reports.

**Article ~~125~~122** The board of directors shall develop the rules of procedure of the board of directors in order to execute the resolutions of the shareholders' meeting, improve work efficiency and ensure scientific decision-making, which shall be submitted to the shareholders' meeting for approval and attached as an annex to the Articles of Association.

The board of directors shall, at the end of each year, discuss and evaluate whether the corporate governance mechanism provides appropriate protection and equal rights to all shareholders and whether the corporate governance structure is reasonable and effective, and shall decide on the specific improvement measures to be taken based on the evaluation results.

**Article 126~~123~~** The board of directors shall have the power to decide on the following transactions:

- ~~(1) All matters of external guarantee other than those provided for in Article 44 of the Articles of Association;~~
- ~~(2)(1) All matters of external guarantee other than those provided for in Article 45~~46~~ of the Articles of Association;~~
- ~~(3) Except for the provision of guarantees, the authority of the board of directors to decide on connected transactions shall apply to connected transactions other than those provided for in Article 44 of the Articles of Association, involving transaction amounts exceeding \$500,000 between the Company and connected natural persons, and transaction amounts exceeding 0.5% of the Company's latest audited total assets and more than \$3 million between the Company and connected legal persons; and~~
- ~~(4)(2) Transactions that shall be submitted to the board of directors for consideration in accordance with the relevant provisions of the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.~~

**Article 127** ~~In addition to the transactions under Article 126 above, transactions (other than the provision of guarantees) of the Company that meet the following criteria shall be considered by the board of directors, and if they meet the criteria for consideration by the shareholders' meeting, they shall also be submitted to the shareholders' meeting of the Company for consideration:~~

- ~~(1) The transaction involving total assets (where both book value and appraised value exist, whichever is higher) or a transaction amount accounting for more than 20% of the Company's audited total assets for the latest accounting year;~~
- ~~(2) the transaction involving a net asset amount or transaction amount representing more than 20% of the absolute value of the Company's audited net assets for the latest accounting year and exceeding \$3 million; and~~
- ~~(3) Transactions which should be submitted to the board of directors for consideration in accordance with the relevant provisions of the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.~~

~~The board of directors shall establish strict review and decision-making procedures, under which matters not included in the scope of the decision-making authority of the board of directors are required to be approved by the shareholders' meeting and significant investment projects shall be evaluated by relevant experts and professionals and reported to the shareholders' meeting for approval.~~

**Article ~~128~~Article 124** The chairman of the board of directors shall be elected by a majority of all directors of the board of directors. The chairman of the board of directors shall exercise the following functions and powers:

- (1) To preside over the shareholders' meeting and to convene and preside over the meetings of the board of directors;
- (2) To supervise and inspect the implementation of resolutions of the board of directors;
- (3) To sign share certificates, corporate bonds and other marketable securities of the Company;
- (4) To sign material documents of the board of directors and other documents that shall be signed by the legal representative of the Company;
- (5) To exercise the functions and powers of the legal representative;
- (6) In the event of force majeure emergencies, such as a major natural disaster, to exercise special disposition powers in relation to the Company's affairs in compliance with legal requirements and the interests of the Company, and subsequently report such activities to the board of directors and the shareholders' meeting of the Company; and
- (7) To exercise any other functions and powers conferred by the board of directors.

**Article ~~129~~125** If the chairman of the board of directors is unable to perform his duties or fails to perform his duties, a majority of the directors shall jointly elect a director to do so.

**Article ~~130~~126** The board of directors shall convene at least ~~two~~four meetings per year, which shall be convened by the chairman of the board of directors, and shall notify all directors ~~and supervisors~~ in writing ~~at least 14~~ at least 14 days prior to the convening of the meeting; when the board of directors convenes an extraordinary general meeting, it shall issue a notice of the meeting in accordance with the provisions of these Articles of Association. The topics for board meetings shall be prepared in advance and sufficient decision-making materials shall be provided.

**Article ~~131~~127** More than 1/10 of the shareholders with voting rights, majority of the independent non-executive directors or more than 1/3 of the directors or the ~~board of supervisors~~Audit Committee may propose to convene an extraordinary board meeting. The chairman of the board of directors shall convene and chair the board meeting within 10 days after the receipt of the proposal.

**Article ~~132~~128** The notice of extraordinary board meeting shall be served by hand, facsimile, telephone or e-mail 2 days before the date of the meeting.

**Article ~~133~~129** A notice of a meeting of the board of directors in writing shall include the following:

- (1) The date and venue of the meeting;
- (2) The duration of the meeting;
- (3) The reasons and agenda of the meeting;
- (4) The date of notice given; and
- (5) Other circumstances as stipulated in the laws, administrative regulations, departmental rules or regulatory legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

**Article ~~134~~130** The board meeting may be held only if more than half of the directors attend. Resolutions made by the board of directors shall be passed by more than half of all directors.

Each director shall have one vote for voting on resolutions of the board of directors.

**Article ~~135~~131** A director who is associated with an enterprise or an individual involved in a resolution of a board meeting shall report in writing to the board of directors in a timely manner. A director who has an associated relationship shall not exercise his/her voting rights on the resolution, nor shall he/she exercise his/her voting rights on behalf of other directors, and his/her voting rights shall not be counted as part of his/her total number of voting rights. The relevant meeting of the board of directors may be held when more than half of the uninterested directors attend the meeting, and the resolutions made by the meeting of the board of directors shall be passed by more than half of the uninterested directors. If the number of uninterested directors attending the board meeting is less than 3, the matter shall be submitted to the shareholders' meeting of the Company for deliberation.

**Article ~~136~~132** Voting on resolutions of the board of directors shall be conducted by counting of names and in writing.

Extraordinary meetings of the board of directors may be conducted by other means and resolutions may be made and signed by the participating directors, provided that the directors are given the opportunity to fully express their opinions.

**Article 137**~~133~~ Directors ~~shall~~should attend board meetings in person, ~~and if they are. If a director is unable to attend for any reason, they may appoint other directors meeting, he/she may authorize another director in writing to attend on their behalf, and an independent director may not appoint a non-independent director to attend the meeting on his/her behalf. Where voting matters are involved, The power of attorney shall specify the name of the proxy shall expressly state in, the proxy form whether he/she agrees, disagrees or abstains on each matter. A director shall not give or accept a proxy without voting intention, a discretionary proxy or a proxy whose matters assigned, the scope of authorization is unclear. A director's responsibility for voting matters will not and the validity period, and shall be discharged~~signed or sealed by the presence of a proxy principal. The director attending the meeting on behalf of another director shall exercise the rights of the director within the scope of his/her authorization. If a director fails to attend a board meeting or appoint a proxy to attend the meeting on his behalf, he/she shall be deemed to have waived his/her voting rights at that meeting.

A director may not accept proxies from more than two directors to attend a board meeting on his/her behalf.

**Article 138**~~The minutes of the board meetings shall be true, accurate and complete.~~**134** The board of directors shall ~~make~~keep minutes of ~~its~~the decisions ~~on~~made for the matters discussed at the meeting, and the directors ~~attending the meeting, present at the secretary of the board of directors and the person who records the minutes~~meeting shall sign ~~on~~ the minutes.

The minutes of board meetings shall be kept as archives of the Company for a period of no less than 10 years.

**Article 139**~~135~~ The minutes of a meeting of the board of directors shall include the following particulars:

- (1) the date and venue of the meeting, and the name of the convener;
- (2) the names of the directors attending the board meeting and directors (proxies) appointed by others to attend the board meeting;
- (3) the agenda of the meeting;
- (4) the main points of directors' speeches;
- (5) the method and results of the voting for each proposal (the voting results shall state the number of affirmative and negative votes and number of abstention); and
- (6) Other contents stipulated by laws, administrative regulations, departmental rules or normative legal documents, the Hong Kong Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates the law or the Articles of Association or a resolution of the shareholders' meeting and causes the Company to suffer serious losses, the directors who participated in the resolution shall be liable to the Company for compensation; however, if it is proved that they have expressed dissenting views at the time of voting and recorded in the minutes of the meeting, such directors may be exempted from liability.

#### **Chapter VI ~~General Managers and Other~~ Senior Management Officers**

**Article ~~140~~136** The Company's general manager, ~~chief financial officer, and secretary to the board of directors are~~ is the Company's senior management officers and shall be appointed or dismissed by the board of directors.

**Article ~~141~~137** Regarding the circumstances under which a person may not serve as a director, ~~Article 110 of and the requirements from the management system of vacation of office,~~ the Articles of Association shall also apply to senior management officers. ~~In addition to meeting the requirements of the preceding paragraph, the chief financial officer as a senior management officer shall also possess professional and technical qualifications at or above the level of certified public accountant, or have a professional background in accounting and have been engaged in accounting work for at least three years.~~

The provisions of ~~Article 112 of the~~ Articles of Association regarding the duty of loyalty of directors and ~~the Items (4), (5), and (6) under section 1 of Article 113 of the Articles of Association~~ regarding the duty of diligence shall also apply to the senior management officers.

**Article ~~142~~138** Persons in executive positions other than directors and supervisors in entities acting as the Company's controlling shareholders ~~or de facto controllers~~ shall not serve as the Company's senior management officers.

The Company's senior management officers are remunerated solely by the Company and shall not be paid by the controlling shareholders on behalf of the Company.

**Article ~~143~~139** The tenure of office for the general manager shall be three years and is renewable upon reappointment.

**Article ~~144~~140** The general manager is accountable to the board of directors and exercises the following functions and powers:

- (1) To be in charge of the production, operation and management of the Company, to organize and implement the resolutions of the board of directors, and to report to the board of directors;
- (2) To organize the implementation of the Company's annual business plans and investment plans;



- (3) To formulate plans for the establishment of the Company's internal management institutions;
- (4) To formulate plans for the Company's basic management system;
- (5) To formulate the rules and regulations of the Company;
- ~~(6) To propose to the board of directors the appointment and dismissal of the chief financial officer and the secretary to the board of directors of the Company;~~
- ~~(7)~~(6) To decide on the appointment and dismissal of the management officers other than those required to be employed or dismissed by the board of directors; and
- ~~(8)~~(7) To exercise other functions and powers conferred by the Articles of Association and the board of directors.

The general manager shall attend meetings of the board of directors as a non-voting attendee.

**Article ~~145~~141** The general manager shall formulate his/her terms of reference, which shall come into effect upon approval by the board of directors.

**Article ~~146~~142** The terms of reference of the general manager shall include the following particulars:

- (1) Conditions and procedures for convening the general manager's meeting, and the participants;
- (2) Specific duties and functions of the general manager and other senior management members;
- (3) Use of funds and assets of the Company, authority for entering into material contracts and the reporting systems of the board of directors ~~and the board of supervisors~~; and
- (4) Other matters which the board of directors considers necessary.

~~**Article 147** The Company shall appoint a secretary to the board of directors, who is responsible for the preparation of the Company's shareholders' meeting and meetings of the board of directors, the custody of documents as well as the management of the information of the Company's shareholders, and the disclosure of information.~~

~~The secretary to the board of directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.~~

~~**Article 148** Senior management officers shall submit a written resignation report when they resign, and shall not circumvent the duties they are required to perform by resigning. Unless the transfer of duties has not completed and the relevant announcement has not been disclosed in respect of the resignation of the secretary of the board of directors, the resignation of senior management officers shall take effect from the time the resignation report reaches the board of directors.~~

~~In the aforesaid circumstances, the resignation report shall not take effect until the secretary of the board of directors has completed the transfer of duties and the relevant announcement has been disclosed. Before the resignation report takes effect, the secretary of the board of directors who intends to resign shall continue to perform his/her duties.~~

~~**Article 149** Senior management officers shall strictly implement the resolutions of the board of directors and the shareholders' meeting, etc., and shall not, without authorization, amend, refuse to implement, or negligently implement such resolutions.~~

**Article 143** A manager may resign before the expiration of his/her term. The specific procedures and measures for a manager's resignation shall be stipulated in the employment contract between the manager and the Company.

**Article 144** If damages are inflicted on others while the senior management officers are performing their duties for the Company, the Company will be liable for compensation. Senior management officers who have wilful default or material fault shall also be liable for compensation. Senior management officers shall be liable for any losses caused to the Company as a result of their breach of the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association in the performance of their duties for the Company.

**Chapter VII Board of Supervisors****Section 1 Supervisors**

**Article 150** ~~The situations in which one is not allowed to serve as director as stipulated in Article 110 of the Articles of Association shall also apply to supervisor.~~

~~Directors, general manager and other senior management officers shall not serve as supervisors concurrently. The spouses and direct relatives of the directors and senior management officers are not allowed to serve as supervisors of the Company during the tenure of the such Company's directors and senior management officers.~~

**Article 151** ~~Supervisors should possess relevant professional knowledge or work experience and have the capability to effectively perform their duties. supervisors should comply with laws, administrative regulations, and the Articles of Association, and have a duty of loyalty and diligence to the Company. In performing their duties, they should exercise the reasonable care that a general manager should typically have for the best interests of the Company. The provisions of Article 112 of the Articles of Association regarding the fiduciary duties of directors shall also apply to supervisors.~~

**Article 152** ~~The tenure of office of supervisors shall be three years. Upon maturity of the tenure of office, a supervisor shall be eligible to offer himself/herself for re-election and re-appointment.~~

**Article 153** ~~Supervisors, if resigning, shall submit written resignation reports, and shall not circumvent their due responsibilities by resigning or other means. The resignation of a supervisor shall take effect from the time upon delivery of the resignation report to the board of supervisors, except in the following cases:~~

- ~~(1) The resignation of the supervisor results in the number of members of the board of supervisors being less than the quorum; or~~
- ~~(2) The resignation of a staff representative supervisor results in the number of staff representative supervisors being less than one-third of the total members of the board of supervisors.~~

~~In the aforementioned circumstances, the resignation report shall not take effect until the successor fills the vacancy created by such supervisor's resignation. Before the resignation report takes effect, the intending resigning supervisors shall continue to perform their duties as supervisors. In such cases, the Company shall complete the supplementary election of supervisors within two months.~~

**Article 154** ~~Supervisors shall ensure that the information disclosed by the Company is true, accurate and complete.~~

~~Article 155~~ Supervisors may attend the board of directors meeting as non-voting participants and may raise enquiries or make suggestions regarding matters to be resolved by the board of directors.

If supervisors find that directors, senior management officers and the Company have violated laws and regulations, departmental rules, Business Rules, the Hong Kong Listing Rules, other securities regulatory rules where the Company's shares are Listed, the Articles of Association or resolutions passed at shareholders' meeting, which have already caused or may cause significant losses to the Company, they should promptly report to the board of directors and board of supervisors, requesting the board of directors and senior management officers to rectify.

~~Article 156~~ Supervisors have the right to understand the Company's operating conditions. The Company should take measures to safeguard the right to information of the supervisors and provide necessary assistance for the supervisors to perform their duties normally. No one shall interfere or obstruct.

~~Article 157~~ Supervisors shall be liable for any losses caused to the Company as a result of their breach of the provisions of laws, administrative regulations, departmental rules or the Articles of Incorporation in the performance of their duties for the Company.

## **Section 2 — Board of Supervisors**

~~Article 158~~ The Company shall establish the board of supervisors. The board of supervisors shall be comprised of three supervisors, including two shareholder representative supervisors and one staff representative supervisor. The staff representative supervisor shall be elected by the Company's staff representative meeting, staff meeting, or by other democratic means.

The board of supervisors shall have 1 chairman. The chairman of the board of supervisors shall be elected by a majority of all supervisors. The chairman of the board of supervisors shall convene and preside over meetings of the board of supervisors; if the chairman is unable or fails to perform his duties, a supervisor who has been elected by a majority of the supervisors shall convene and preside over meetings of board of supervisors.

~~Article 159~~ The board of supervisors shall understand the operation of the Company, review the Company's financial positions, supervise the legal compliance of the Company's directors and senior management officers in the performance of their duties, exercise other functions and powers stipulated in the Company's Articles of Association, and safeguard the legitimate rights and interests of the Company and its shareholders. The board of supervisors may independently engage intermediary agencies to provide professional advice.

~~The board of supervisors shall exercise the following functions and powers:~~

- ~~(1) To audit the Company's periodic reports prepared by the board of directors and provide written audit opinions;~~
- ~~(2) To review the Company's financial position;~~
- ~~(3) To monitor the compliance of directors and senior management officers with laws and regulations, departmental rules, Business Rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association and their performance of duties, and propose the dismissal of any directors and senior management officers who violate the laws, administrative regulations, the Articles of Association or resolutions of the shareholders' meeting;~~
- ~~(4) To demand directors and senior management officers to make rectifications if their conduct have been detrimental to the Company's interest;~~
- ~~(5) To propose the convening of an extraordinary shareholders' meeting, and convene and preside over the shareholders' meeting when the board of directors fails to perform such duties specified under the Company Law;~~
- ~~(6) To submit proposals to the shareholders' meeting;~~
- ~~(7) To bring an action against a director and senior management officer in accordance with Article 189 of the Company Law;~~
- ~~(8) To conduct investigations if there are any abnormal situations detected in the Company's operations, and to employ professional organizations such as accounting firms and law firms to assist in its work at the Company's expense if necessary; and~~
- ~~(9) To exercise other functions and powers specified in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association.~~

~~The board of supervisors may require directors and senior management officers to submit reports on the performance of their duties.~~

~~**Article 160** The board of supervisors shall convene at least once a meeting every six months. The supervisors may propose to convene extraordinary meetings of the board of supervisors. In convening the regular or extraordinary meetings of the board of supervisors, the board of supervisors shall give the written notice of the meetings to all supervisors by hand, fax, e-mail or other means 10 days and 2 days in advance, respectively. The board of supervisors may require directors, senior management officers, internal and external auditors, and others to attend the meetings of the board of supervisors as non-voting participants to reply to issues concerned.~~

~~Resolutions of the board of supervisors shall be passed by a simple majority of all supervisors. Resolutions of the board of supervisors shall be made by way of voting with one vote for each supervisor.~~

~~**Article 161** The board of supervisors shall formulate the rules of procedure for the board of supervisors which specifies method of discussion and voting procedure of the board of supervisors, to ensure the working efficiency and scientific decision-making of the board of supervisors, which shall be submitted to the shareholders for approval and serve as an appendix to the Articles of Association.~~

~~**Article 162** The board of supervisors shall record the decisions of the matters discussed in the meeting, and the minutes of the board of supervisors shall be true, accurate, and complete. The supervisors attending the meeting and the minute taker should sign the minutes. The expenses necessary for the board of supervisors to exercise their powers shall be borne by the Company.~~

~~Supervisors have the right to request that some explanatory records are made for their statements at the meeting. Minutes of the board of supervisors are kept as Company records for at least 10 years.~~

~~**Article 163** The notice of the meeting of the board of supervisors shall include the following:~~

- ~~(1) the date, venue and duration of the meeting;~~
- ~~(2) the reasons and agenda of the meeting;~~
- ~~(3) the date of notice given; and~~
- ~~(4) other circumstances as stipulated in the laws, administrative regulations, departmental rules or regulatory legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.~~

**Chapter VII Financial and Accounting System, Profit Distribution and Audit****Section 1 Financial and Accounting System**

**Article 145** The Company shall establish its financial and accounting system in accordance with the law, administrative regulations and the provisions stipulated by the relevant authorities of the People's Republic of China. If the financial and accounting system is otherwise provided in the relevant regulatory rules of the places where the Company's shares are listed, such regulatory rules shall prevail.

**Article 146** The Company prepares annual financial and accounting reports within 4 months from the end of each fiscal year, semi-annual financial and accounting reports within two months from the end of the first six months of each fiscal year, and quarterly financial and accounting reports within one month from the end of the first three months and the first nine months of each fiscal year.

The above-mentioned financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

**Article 147** The Company shall not maintain books of accounts other than those provided for by law. No ~~assets~~funds of the Company shall be deposited into any account opened in the name of any individual.

**Section 2 Profit Distribution System**

**Article 148** In distributing the after-tax profits in the current year, the Company shall allocate 10% of such profits into its statutory reserve fund. When the aggregate amount of the statutory reserve fund of the Company is 50% or more of its registered capital, further allocations are not required.

Where the statutory reserve fund of the Company is insufficient to make up for the losses of the previous year, the profits of the current year shall be used to make up for such losses before making allocation to its statutory reserve fund in accordance with the preceding paragraph.

After allocation of its after-tax profits to its statutory reserve fund, the Company may, subject to the approval by resolutions of the shareholders' meeting, allocate its after-tax profits to its discretionary reserve fund.

After making up for the losses and making allocations to the reserve fund, any remaining after-tax profits shall be distributed by the Company to its shareholders in proportion to their respective shareholdings unless it is stipulated that such distribution shall not be made in proportion to the shareholdings pursuant to the Articles of Association.

If the shareholders' meeting has, in violation of the provision of the preceding paragraph, distributed profits to shareholders before the Company has made up for its losses and made allocations to its statutory reserve fund, the shareholders shall return to the Company the profit distributed in violation of the provision. If the Company incurs losses due to such distribution, the shareholders and the directors, ~~supervisors~~, and senior management officers who are held accountable shall be liable for compensation.

The Company's shares held by the Company are not entitled to any profit distribution.

**Article 168~~149~~** The reserve funds of the Company may be applied for making up for losses of the Company, expansion of the Company's production and operation or increase the registered capital of the Company.

When applying the reserve funds to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund shall be used first; if such funds are still insufficient to make up for losses, the capital reserve fund may be applied in accordance with relevant provisions.

Where the statutory reserve fund is converted into capital, the balance of the reserve fund shall not fall below 25% of the Company's registered capital prior to such conversion.

**Article 169~~150~~** The Company's profit distribution policies are as follows:

- (1) The Company shall emphasize reasonable investment returns to investors and shall maintain continuity and stability in its profit distribution policies;
- (2) The Company shall adhere to the following principles in the distribution of dividends:
  1. to comply with relevant laws, regulations, rules and the Articles of Association, and carry out the distribution in accordance with the prescribed conditions and procedures;
  2. to balance the long-term development of the Company with reasonable returns to investors; and 3. to implement the principle of "equal rights and dividend distribution for the same shares"; and
- (3) The Company may distribute dividends in the form of cash, shares, or a combination of cash and shares.

After the Company's shareholders' meeting has resolved on the profit distribution plan, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months after the shareholders' meeting.



**Section 3 Internal Audit**

**Article ~~170~~151** The Company shall adopt an internal audit system and designate dedicated auditors to carry out internal audit supervision of the Company's financial income and expenditure and economic activities.

**Article ~~171~~152** The Company's internal audit system and the responsibilities of its auditors shall be implemented with the approval of the board of directors. The head of audit is accountable and reports to the board of directors

**Section 4 Appointment of Accountant Firm**

**Article ~~172~~153** The Company shall appoint an accounting firm that complies with the provisions of the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed to conduct audits of accounting statements, verification of net assets and other related consulting services, etc., with a term of one year, which is renewable.

**Article ~~173~~154** The appointment or dismissal of an accounting firm by the Company shall be decided by the shareholders' meeting, hence the board of directors shall not appoint an accounting firm prior to the decision made by the shareholders' meeting.

**Article ~~174~~155** The Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information to the appointed accounting firm without any refusal, concealment or misrepresentation.

**Article ~~175~~156** The audit fees of the accounting firm shall be determined by the shareholders' meeting.

**Article ~~176~~157** When the Company removes or does not renew the appointment of the accounting firm, it shall notify the accounting firm 30 days in advance, and the accounting firm shall be allowed to state its opinions when the Company's shareholders' meeting votes on the removal of the accounting firm.

If the accounting firm resigns, it shall make clear to the shareholders' meeting whether there is any impropriety on the part of the Company.

**Chapter ~~IX~~VIII Notices and Announcements**

**Article ~~177~~158** Notices of the Company (Including company communications and other written materials) may be delivered through the following means:

- (1) By hand;
- (2) By mail;
- ~~(3) By fax;~~
- ~~(4)~~(3) By email;
- ~~(5)~~(4) By way of announcement;
- ~~(6)~~(5) By way of publishing information on websites designated by the Company and the Hong Kong Stock Exchange, subject to the laws, administrative regulations and regulatory rules of the places where the Company's shares are listed; ~~and~~
- (6) Other methods that the Company or the notified party agreed in advance, or the notified party acknowledged after receiving the notification;
- (7) By any other means as recognized by the laws, administrative regulations or normative documents and the securities regulatory authorities of the places where the Company's shares are listed or as provided in the Articles of Association.

**Article ~~178~~159** For a notice delivered by the Company; by means of announcement, all relevant parties are deemed to have been notified once the announcement is made. once signed, the notice shall be deemed to have been delivered by the Company.

**Article ~~179~~160** Any notice convening a shareholders' meeting of the Company shall be delivered by ~~hand, fax, mail, email or announcement, etc.~~

**Article ~~180~~161** Any notice convening a meeting of the board of directors of the Company shall be delivered by hand, fax, mail, email or announcement, etc.

**Article ~~181~~** ~~Any notice convening a meeting of the board of supervisors of the Company shall be delivered by hand, fax, b, email or announcement, etc.~~

~~Article 182~~**Article 162** For a notice of the Company delivered by hand, the notice shall be deemed to have been received upon signing (or affixing the seal) by the recipient on the note of receipt and the receipt date shall be the date of delivery. If the notice is delivered by post, it shall be deemed to have been received on the fifth working day from the date upon which the post office receives the notice. If the notice is delivered by email, it shall be deemed to have been received on the date the e-mail arrives at the information system of the person to be served. If the notice is delivered by fax, or by way of publishing information on websites, it shall be deemed to have been received on the date the fax arrives at the fax system of the person to be served. If the notice is delivered by way of announcement, it shall be deemed to have been received by all relevant persons on the date on which the announcement is published.

~~Article 183~~**Article 163** The accidental omission to give a meeting notice to, or the failure of receipt of the meeting notice by, a person entitled to receive notice shall not invalidate any meeting and any resolution passed thereat.

~~Article 184~~**Article 164** Unless the context otherwise specifies, the “announcement” referred to in the Articles of Association shall mean, with respect to announcements made to the H-share shareholders or the announcements to be published in Hong Kong as required by the relevant requirements and the Articles of Association, the publication of announcement on websites of the Company and the Hong Kong Stock Exchange as well as other websites as may be required under the Hong Kong Listing Rules from time to time as required by the Hong Kong Listing Rules.

~~In respect of the manner~~Unless otherwise provided in which the these Articles of Association, any notice issued by the Company provides and/or distributes its communications to its H-share shareholders in the form of an announcement shall, on the same day and as required by the listing rules of the places whereHong Kong Listing Rules, has its electronic version submitted to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange’s e-Submission System for immediate publication on the Hong Kong Stock Exchange’s website. The announcement must also be published on the Company’s shares are listed, and subject to the relevant listing rules of the places where the Company’s shares are listed, the Company may also send or provide its communications to the website.

H-share shareholders of the Company ~~either may choose, in writing, to receive the company communications that are to be sent to them by the Company electronically or by post~~ingmail, and may choose to receive only the Chinese version, the English version, or both. Alternatively, written notice may be given to the Company in advance within a message on the Company’s website or on the website of the stock exchange ofreasonable timeframe to modify the places wheremethod and the Company’s shares are listed to replacelanguage version of receiving the manners in which the Company provides and/or distributes its communications to its H-share shareholders by hand or postage paid mail aforementioned information according to appropriate procedures.

**Chapter XIX Merger, Demerger, Capital Increase and Reduction,  
Dissolution and Liquidation****Section 1 Merger, Demerger, Capital Increase and Reduction**

**Article ~~185~~165** The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity.

Merger by absorption refers to the merger realized by a company through the absorption of other companies, in which case the absorbed companies are dissolved. Merger by the establishment of a new entity refers to the merger of two or more companies to create a new company, in which case the merging parties are dissolved.

**Article 166** If the consideration paid for a merger does not exceed 10% of the Company's net assets, no resolution in a shareholders' meeting is needed, unless otherwise provided in these Articles of Association.

If a merger conducted in accordance with the preceding paragraph without a resolution in a shareholders' meeting, it shall be resolved by the board of directors.

~~**Article 186**~~**Article 167** In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days after the date of the Company's resolution approving the merger and shall publish an announcement within 30 days in newspapers or on the National Enterprise Credit Information Publicity System ~~and the websites and media stipulated in Article 184 of the Articles of Association.~~ A creditor could require the Company to repay its debts or to provide a corresponding guarantee for such debts within 30 days from the date it receives the relevant notice or, in the case of a creditor who did not receive such notice, within 45 days from the date of the relevant announcement.

**Article ~~187~~168** Upon merger, the claim and debts of each of the merged parties shall be assumed by the surviving party or the newly established company.

**Article ~~188~~169** In the event of a division of the Company, its properties shall be divided up accordingly.

In the event of a division, the Company shall prepare balance sheets and inventories of properties. The Company shall notify its creditors within 10 days from the date on which a resolution is adopted in favor of the division and shall publish an announcement in a newspaper or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

**Article 189**~~170~~ Unless otherwise agreed in writing between the Company and its creditors in relation to the repayment of debts before the division, the surviving companies after the division shall be jointly and severally liable for the debts of the Company which have been incurred before such division.

**Article 190**~~171~~ The Company shall prepare balance sheets and inventories of properties when it reduces its registered capital.

The Company shall notify its creditors within 10 days from the date on which a resolution to reduce the registered capital is adopted and shall publish an announcement in a newspaper or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right to require the Company to repay its debts or to provide a corresponding guarantee for such debts within 30 days from the date it receives the relevant notice or, in the case of a creditor who did not receive such notice, within 45 days from the date of the relevant announcement.

The Company's registered capital after reduction shall not be less than the statutory minimum limit. If the Company reduces registered capital, the Company shall correspondingly reduce the amount of capital contribution or shares in proportion to shareholders' ~~capital contributions or shareholdings~~, unless as otherwise provided by laws, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, or the Articles of Association.

**Article 172** If the Company still has losses after making up for the losses in accordance with the provisions under paragraph 2 in Article 149 of these Articles of Association, it may reduce its registered capital to make up for the losses. If the Company reduces its registered capital to make up for losses, it shall not make distribution to its shareholders, nor shall it exempt the shareholders from their obligation of capital contributions or share payments.

If the registered capital is reduced in accordance with the preceding paragraph, the provisions under paragraph 2 in Article 171 of these Articles of Association shall not apply, but an announcement shall be made on a newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the resolution to reduce the registered capital is passed in a shareholders' meeting.

After reducing its registered capital in accordance with the preceding two paragraphs, the Company shall not distribute any profits until the accumulated amount of statutory reserve fund and discretionary reserve fund reaches 50% of the Company's registered capital.

**Article 173** If the registered capital is reduced in violation of the Company Law and other relevant regulations, the shareholder shall return the funds received, and the original amount of a shareholder's capital contribution shall prevail if it has been reduced or waived. Shareholders and responsible directors and senior management officers shall be liable for compensation if they make the Company suffer losses.

**Article 174** When the Company issues new shares to increase its registered capital, shareholders shall not have a pre-emptive right to subscribe for the new shares, unless otherwise provided in these Articles of Association or it is resolved in the shareholders' meeting that shareholders shall have the pre-emptive right.

**Article 175** If a merger or split involves any change of its registered information, registration for the change shall be applied for to company registration authorities in accordance with the laws. If the Company is dissolved, it shall complete the company deregistration process in accordance with the laws. If a new company is to be established, the company establishment registration shall be applied for in accordance with the laws.

When the Company increases or decreases its registered capital, it shall apply for registration of the change with the company registration authorities in accordance with the laws.

## **Section 2 Dissolution and Liquidation**

**Article 191**~~176~~ The Company shall be dissolved in any of the following circumstances:

- (1) The business period specified in the Articles of Association is expired or other causes of dissolution specified therein take place;
- (2) The shareholders' meeting resolves to dissolve the Company;
- (3) Dissolution is necessary due to a merger or demerger of the Company;
- (4) The business license is revoked, or the company is ordered to close or be shut down according to law; and
- (5) Where the Company has experienced material difficulties in operation and management, and the continuous operation would lead to substantial losses to the interests of its shareholders and there are no other solutions to resolve the matters, shareholders holding 10% or more of the total voting rights of the Company may appeal to the People's Court for dissolution of the Company.

If the Company has any grounds for dissolution specified in the preceding paragraph, it shall publicize the grounds for dissolution through the National Enterprise Credit Information Publicity System within ten days.

**Article ~~192~~177** Where the Company is in the situation described in paragraph (1) and (2) of clause 1 of the Article ~~191~~176 of the Articles of Association, and has not yet distributed property to shareholders, the Company may continue to exist by amending these Articles of Association or through resolutions in the shareholders' meeting.

The amendments to these Articles of Association pursuant to the preceding paragraph or by resolutions in the shareholders' meeting are subject to the approval by shareholders holding more than two-thirds of the voting rights of the shareholders presented at the shareholders' meeting.

**Article ~~193~~178** Where the Company is dissolved under paragraph (1), (2), (4) and (5) of clause 1 of the Article ~~191~~176 of the Articles of Association, it shall be liquidated. The directors are the obligors for the liquidation of the Company and a liquidation committee shall be formed within 15 days of the date of dissolution to carry out the liquidation.

The liquidation committee shall comprise the directors, unless the Articles of Association provide otherwise or it is resolved at a shareholders' meeting to elect another person(s). If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation. If the Company fails to establish a liquidation committee to carry out liquidation after the expiry of the time limit or fails to carry out liquidation after establishing the liquidation committee, the interested parties can apply to the people's court for appointing relevant officers to establish the liquidation committee to carry out the liquidation.

**Article ~~194~~179** The liquidation committee shall exercise the following powers and functions during the liquidation period:

- (1) to liquidate the Company's assets and prepare a balance sheet and an inventory list for assets;
- (2) to notify creditors and publish announcement;
- (3) to handle outstanding businesses of the Company related to liquidation;
- (4) to settle all taxes in arrears and taxes arising in the course of liquidation;
- (5) to liquidate creditor's rights and debts;
- (6) to allocate the Company's remaining assets after the debts are paid off; and
- (7) to conduct civil lawsuits on behalf of the Company.

**Article ~~195~~180** The liquidation committee shall notify creditors within 10 days from the date of its establishment and shall, within 60 days, make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System. The creditors shall declare their claims to the liquidation committee within 30 days from the date it receives the above notice or within 45 days from the date of announcement if no such notice is received.

Creditors declaring creditors' rights shall state the relevant information of the creditors' rights and provide proof materials. The liquidation committee shall register the creditors' rights.

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

**Article ~~196~~181** Upon sorting of the Company's assets and formulation of balance sheet and inventory list for assets, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' meeting or the people's court for confirmation.

After the Company's assets are used respectively for payment of liquidation expenses, employees' wages, social insurance premiums and statutory compensation, payment of tax in arrears and the Company's debts, they shall be distributed in proportion to the shareholding of the shareholders.

During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation. The Company's assets shall not be distributed to shareholders prior to making repayment pursuant to the provisions of the preceding paragraph.

**Article ~~197~~182** Upon sorting of the Company's assets and formulation of balance sheet and inventory list of assets, where the liquidation committee is aware that the Company's assets are inadequate for repayment of debts, the liquidation committee shall apply to the people's court for declaration of insolvency.

After the People's Court accepts the application for bankruptcy, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

**Article ~~198~~183** Upon completion of liquidation, the liquidation committee shall formulate a liquidation report and shall submit the same to the shareholders' meeting or the people's court for confirmation and submit to the company registration authorities and apply for deregistration and declare the termination of company.



**Article ~~199~~184** Members of the liquidation committee shall perform their liquidation obligation and bear duties of loyalty and diligence.

Members of the liquidation committee shall bear the liability for damages suffered by the Company due to their negligence in performing the obligations of liquidation; where members of the liquidation committee who cause losses to creditors due to intentional or gross negligence shall be liable for compensation.

Upon completion of liquidation of the Company, the liquidation committee shall formulate a liquidation report and shall submit the same to the shareholders' meeting or the people's court for confirmation and submit to the company registration authorities and apply for deregistration.

**Article ~~200~~185** If the Company has not incurred any debts during its existence, or has settled all its debts, it may, with the undertaking of all shareholders, deregister the Company through the simplified procedure in accordance with relevant regulations.

In case of deregistration through the simplified procedure, the Company shall publish a notice on the National Enterprise Credit Information Publicity System for a period of not less than 20 days. If there is no objection after the expiration of the publicity period, the Company may apply to the company registration authority for deregistration within twenty days.

In case of deregistration through the simplified procedure, shareholders who have made an untrue undertaking with respect to the contents of the first paragraph of this article shall be jointly and severally liable for the debts incurred prior to the deregistration.

**Article ~~201~~186** Where the Company is declared insolvent in accordance with laws, it shall implement insolvency liquidation in accordance with the relevant laws relating to insolvency of an enterprise.

## **Chapter ~~XIX~~ Amendments to Articles of Association**

**Article ~~202~~187** The Company shall amend its articles of association in one of the following circumstances:

- (1) Subsequent to the amendment of the Company Law and relevant laws and administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws and administrative regulations;
- (2) The Company has experienced changes, resulting in matters inconsistent with those recorded in the Articles of Association; and
- (3) The shareholders' meeting decides to amend the Articles of Association.

**Article ~~203~~188** Where the approval from the competent authority is required for the amendments to the Articles of Association resolved by the shareholders' meeting, such amendments shall be submitted to the competent authority for approval. Where an amendment to the Articles of Association involves the particulars of the Company's registration, changes shall be made to the registration pursuant to the law.

**Article ~~204~~189** The board of directors shall amend the Articles of Association pursuant to the resolution of the shareholders' meeting on such amendment and the examination and approval opinion of the competent authority.

**Article ~~205~~190** If any amendment to the Articles of Association involves matters required to be disclosed by laws and regulations, an announcement shall be made pursuant to the regulations.

### **Chapter ~~XHXI~~ Investor Relations Management**

**Article ~~206~~191** The primary targets of investor relations management include:

- (1) Investor;
- (2) Institutions and individuals engaged in securities analysis, consulting and other securities services;
- (3) Media including financial media and industry media;
- (4) Other related individuals and institutions.

**Article ~~207~~192** The main content of communication between the company and investors in investor relations management includes:

- (1) The Company's development strategy;
- (2) Operation and management information that the Company may disclose in accordance with the law, including production and operation status, financial position, research and development of new products or new technologies, business performance, dividend distribution, etc.;
- (3) Significant matters that may be disclosed by the Company in accordance with the law, including information on the Company's significant investments and changes therein, asset restructuring, mergers and acquisitions, external cooperation, external guarantees, significant contracts, related (connected) transactions, major litigation or arbitration, changes in the management, and changes in the major shareholders;

- (4) Statutory information disclosures and their explanations, including periodic reports and interim announcements, etc.;
- (5) Corporate culture and corporate image; and
- (6) Other information related to the Company that investors are concerned about.

**Article ~~208~~193** The primary means of communication between the Company and investors include but are not limited to:

- (1) Announcements including regular reports and interim reports;
- (2) Shareholders' meeting;
- (3) Company website;
- (4) One-on-one communication;
- (5) Providing information by post;
- (6) Telephone consultation;
- (7) Advertising or other promotional materials;
- (8) Media interviews and reports;
- (9) On-site visit; and
- (10) Roadshow.

The Company should communicate with investors in a timely, in-depth and extensive manner through various means as much as possible, and should pay special attention to using the internet to improve communication efficiency and reduce communication costs.

**Article ~~209~~194** Responsibilities for investor relations management shall include:

- (1) Information disclosure
  - 1 To collect information related to the Company's production, operation and finance, and to disclose such information in a timely manner in accordance with the requirements of laws, regulations, Business Rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed, as well as the relevant provisions on the Company's information disclosure and investor relations management;

- 2 To prepare and release the Company's periodic reports (including annual reports, and semi-annual report); and
  - 3 To prepare for the Company's annual shareholders' meeting, extraordinary shareholders' meeting, meetings of the board of directors, and prepare meeting materials.
- (2) Analysis and research
- 1 To analyze the number, composition, and changes of investors;
  - 2 To continuously pay attention to the opinions, suggestions, reports and other types of information from investors and the media, and to timely report to the board of directors and management of the Company; and
  - 3 To analyze and research the policies and regulations of the regulatory authorities; to track, study and research the Company's development strategies, business conditions, industry dynamics and relevant regulations; to formulate and revise the regulations on information disclosure and investor relations management, and submit them to the relevant departments of the Company for approval and implementation.
- (3) Communication and contact
- 1 To establish an investor relations management column on the Company's website for timely disclosure and update of the Company's information online and open an interactive investor communication section to answer investor inquiries; to hold analyst briefings and roadshow activities to accept inquiries from analysts, investors and the media; and
  - 2 To receive investor visits and maintain regular contact with institutional investors and small and medium-sized investors, in order to stimulate investors' participation in the Company.
- (4) Public relations
- 1 To establish and maintain good relationships with regulatory authorities, industry associations, the media, and other non-listed public companies and relevant institutions; and

- 2 To deal with emergencies and significant events: In the event of emergencies that may have a significant impact on the Company's share price, such as major litigation, major changes in the management, abnormal fluctuations in share trading, rumors related to the Company, punishments from regulatory authorities, natural disasters, accidents and major changes in the business environment, it is required to propose and implement effective solutions under the leadership of the relevant responsible persons in cooperation with relevant departments of the Company, and communicate and negotiate with investors through various means to actively maintain the Company's public image.

- (5) Other efforts in favor of improving investor relations.

**Article ~~210~~195** The primary person responsible for investor relations management is the chairman of the Company, and the relevant person in charge is the business head of the company's investor relations management. The office of the board of directors of the Company is the functional department for managing investor relations, responsible for the Company's investor relations affairs.

The Company's investor relations management must strictly comply with the requirements of relevant laws, regulations, departmental rules and Business Rules and must not release or disclose any undisclosed material information in any manner during investor relations activities.

If the Company discloses undisclosed material information during investor relations activities, it shall immediately issue an announcement through an information disclosure platform in compliance with the Securities Law and take other necessary measures.

**Article ~~211~~196** Disputes between the Company and investors can be resolved through negotiation. It may be submitted to a professional securities and futures disputes mediation institution for mediation, applied with an arbitration institution for arbitration or filed in the people's court for litigation.

~~If the Company applies for the delisting of shares on the National Equities Exchange and Quotations, it shall fully consider the legitimate interests of shareholders and make reasonable arrangements for dissenting shareholders.~~

~~The Company shall establish investor protection mechanisms related to the delisting matters. In case where the Company voluntarily delists, the Company, controlling shareholders or de facto controllers shall formulate reasonable investor protection measures by way of providing cash options and repurchase arrangements, etc. to safeguard the interests of other shareholders. If the Company is forcibly delisted, it shall fulfill its information disclosure obligations in accordance with the laws from the date of receiving the notification from the National Equities Exchange and Quotations. The Company, controlling shareholders or de facto controllers shall proactively negotiate solutions with other shareholders.~~

**Chapter ~~XXIX~~XII Supplementary Provisions****Article ~~212~~197 Definitions**

- (1) A controlling shareholder refers to a shareholder holding shares representing more than 50% of the total share capital of the Company; a shareholder holding less than 50% of shares in the Company, but the voting rights vested by the shares held by him/her have a material effect on any resolutions made at a shareholders' meeting.
- (2) An de facto controller refers to a ~~person~~natural person, legal person or other organization who can effectively control the Company through investments, agreements or other arrangements.
- (3) "Related (connected) relationship" refers to the relationship of the controlling shareholders, de facto controllers, directors,~~supervisors~~ and senior management officers of the Company with any other enterprise under their direct or indirect control, as well as other relationships that may lead to the transfer of the Company's interests according to the Hong Kong Listing Rules and other securities regulatory rules where the Company's shares are listed. However, enterprises controlled by the State do not have a related (connected) relationship with one another simply because they are under the control of the State.
- (4) Transactions including the following:
  1. Purchase or disposal of assets;
  2. External investments (including entrusted financial management, investments in subsidiaries, etc.);
  3. Provision of guarantees;
  4. Provision of financial assistance;
  5. Rent or lease of assets;
  6. Entering into management contracts (including entrusting business operation, entrusted business operation, etc.);
  7. Donating assets or receiving donated assets;
  8. Creditor's rights or debt restructuring;
  9. Transfer of research and development projects;
  10. Entering into license agreements;

11. Waiver of rights; and

12. Other transactions recognized by the CSRC ~~and the National Equities Exchange and Quotations.~~

The purchase or sale of assets mentioned above does not include transactions related to daily operations, such as the purchase of raw materials, fuel and power, and the sale of products or goods.

(5) The accounting firm refers to in the Articles of Association shall have the same meaning as “auditor”.

**Article ~~213~~198** The board of directors may formulate by-laws in accordance with the provisions of the Articles of Association. Such by-laws shall not be in conflict with the Articles of Association.

**Article ~~214~~199** Where the provisions of the Articles of Association are inconsistent with laws, regulations, rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed, the provisions of laws, regulations, rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed shall prevail.

**Article ~~215~~200** The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association and the articles of association in any other language or of different version, the latest Chinese version of the Articles of Association approved by and registered with the Shanghai Municipal Administration for Market Regulation shall prevail.

**Article ~~216~~201** The terms “over”, “within” and “less”, as stated in the Articles of Association shall all include the given figure; the terms “short of”, “other than”, “lower than”, “more than” shall all exclude the given figure.

**Article ~~217~~202** The board of directors of the Company shall be responsible for the interpretation of the Articles of Association.

**Article ~~218~~203** Appendixes to the Articles of Association include the rules of procedure for shareholders’ meetings, ~~the rules of procedure for meetings of the board of directors~~ and the rules of procedure for meetings of the board of ~~supervisors~~ directors.

**Article ~~219~~204** Upon consideration and approval by the shareholders’ meeting of the Company, the Articles of Association shall take effect from the date of listing of the H Shares of the Company on the Main Board of Hong Kong Stock Exchange. Since the effective date of the Articles of Association, the original articles of association of the Company will be lapsed automatically.

**CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.**  
**RULES OF PROCEDURES FOR SHAREHOLDERS' THE GENERAL MEETINGS (DRAFT)**

**Chapter I General Provisions**

**Article 1** These Rules are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Articles of Association of ContiOcean Environment Tech Group Co., Ltd. (the "Articles of Association"), and other relevant laws, administrative regulations, and rules, and in light of the actual circumstances of the Company, with a view to further clarifying the duties and authorities of the ~~shareholders'~~general meetings of ContiOcean Environment Tech Group Co., Ltd. (the "Company"), standardizing its operating procedures, and giving full play to the role of the ~~shareholders'~~general meetings.

**Article 2** These Rules are applicable to the Company's ~~shareholders'~~general meetings and are binding on the Company, all shareholders, shareholders' proxies, the Company's directors, ~~supervisors, general managers and other~~ senior management officers, and other relevant personnel attending the ~~shareholders'~~general meetings.

**Article 3** The Company shall convene ~~shareholders'~~general meetings strictly in accordance with the relevant provisions of laws, administrative regulations, rules, the Articles of Association, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Rules, ensuring that shareholders can exercise their rights in accordance with the law.

The board of directors of the Company shall earnestly perform its duties and diligently and punctually arrange ~~shareholders'~~general meetings. All directors of the Company shall be diligent and responsible to ensure the normal convening of ~~shareholders'~~general meetings and the lawful exercise of their powers.

**Article 4** The ~~shareholders'~~general meetings shall exercise their powers within the scope prescribed by the Company Law and the Articles of Association.

**Article 5** All shareholders holding shares of the Company have the right to attend ~~shareholders'~~general meetings in person or by proxy and, in accordance with laws, administrative regulations, rules, the Articles of Association, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Rules, enjoy various shareholder rights such as the right to information, the right to speak, the right to raise inquiries, and the right to vote.

Shareholders and their proxies attending ~~shareholders'~~general meetings shall comply with the provisions of relevant laws, administrative regulations, rules, the Articles of Association, and these Rules, consciously maintain meeting order, and shall not infringe upon the lawful rights and interests of other shareholders.



**Chapter II Powers of the Shareholders' General Meetings**

**Article 6** The ~~shareholders'~~general meeting is the supreme authority of the Company and exercises the following powers:

- (1) To elect and replace directors, and determine matters concerning their remuneration;
- (2) To consider and approve reports of the board of directors;
- (3) To consider and approve the Company's profit distribution plan and plan for recovery of losses;
- (4) To make resolutions on the increase or reduction of the Company's registered capital;
- (5) To make resolutions on the issuance of bonds of the Company;
- (6) To make resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- (7) To amend the Articles of Association;
- (8) To make resolutions on the appointment and dismissal of the accounting firm undertaking the Company's audit business;
- (9) To consider and approve the guarantee matters stipulated in Article 7 of these Rules;
- (10) To consider matters concerning the Company's purchase or sale of major assets within one year exceeding 30% of the Company's total assets as of the date of its most recent audited financial statements;
- (11) To consider and approve matters relating to the changes in the use of proceeds;
- (12) To consider equity incentive plans and employee share ownership plans;
- (†) To consider and approve other matters which are required to be determined at the general meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or these Articles of Association.

- ~~(1) To elect and replace directors and supervisors and to determine matters relating to the remuneration of the directors and supervisors;~~
- ~~(2) To consider and approve the reports of the board of directors;~~
- ~~(3) To consider and approve the reports of the board of supervisors;~~
- ~~(4) To consider and approve the Company's profit distribution plan and plan for recovery of losses;~~
- ~~(5) To make resolutions on the increase or reduction of the Company's registered capital;~~
- ~~(6) To make resolutions on the issue of corporate bonds;~~
- ~~(7) To make resolutions on the merger, demerger, dissolution, liquidation or change of corporate form of the Company;~~
- ~~(8) To amend the Articles of Association;~~
- ~~(9) To decide the appointment and dismissal of the accounting firms;~~
- ~~(10) To review and approve the financial assistance matters stipulated in Article 7;~~
- ~~(11) To review and approve the guarantee matters stipulated in Article 8;~~
- ~~(12) To review and approve the major transactions stipulated in Article 10;~~
- ~~(13) To consider and approve the share incentive plan;~~
- ~~(14) To consider and approve related (connected) transaction matters that exceed the resolution authority of the Company's board of directors; and~~
- ~~(15)(13) To consider other matters that, according to laws, administrative regulations, departmental rules, the Company's Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, should be decided in the shareholders' meeting.~~

Transactions in which the Company unilaterally obtains benefits, including receipt of cash assets as gifts, debt relief, guarantees and subsidies, may be exempted from the ~~shareholders' general~~ meeting agenda as stipulated under item ~~12 of paragraph~~ (1) in this Article. Transactions between the Company and its controlled subsidiaries under the scope of its consolidated statements or among the above controlled subsidiaries are exempted from the ~~shareholders' general~~ meeting agenda as set under item ~~(12)~~ of paragraph 1 under this Article, unless otherwise stipulated or damaging the legitimate interests of shareholders.

~~Article 7~~ If the Company's provision of financial assistance to external parties falls under any of the following circumstances, it must be reviewed and approved in the shareholders' meeting:

- ~~(1) The asset-liability ratio of the investee for the latest period exceeds 70%;~~
- ~~(2) The amount of lump sum financial assistance or the cumulative amount of financial assistance provided within twelve consecutive months exceeds 10% of the Company's latest audited net assets; or~~
- ~~(3) Other circumstances stipulated by the CSRC, the National Equities Exchange and Quotations, other securities regulatory authorities in the place where the Company's shares are listed or the Company's Articles of Association.~~

~~The Company shall not provide any funds or other financial assistance to related (connected) parties such as by its directors, supervisors, senior management officers, controlling shareholders, actual controllers or the enterprises that they control~~

~~If the external financial assistance is not recovered when overdue, the Company shall not continue to provide any existing or additional financial assistance to the same party~~

**Article 8 7** The following external guarantees by the Company must be reviewed and approved in the ~~shareholders'~~general meeting:

- (1) Single guarantee with an amount exceeding 10% of the Company's latest audited net assets;
- (2) Any guarantee provided in addition to the external guarantee of the Company and its controlled subsidiaries with a total amount exceeding 50% of the Company's latest audited net assets;
- (3) Any guarantee provided for investees whose gearing ratio is over 70%;
- (4) Any guarantee provided after the Company's total amount of external guarantees exceeds 30% of the Company's total assets as of the date of its most recent audited financial statements;
- (5) Any guarantee where, within any one year period, the ~~total~~ amount of guarantees the Company provides to others exceeds 30% of the Company's total assets as of the date of its most recent audited financial statements;
- (6) Any guarantee provided to shareholders, actual controllers, and their connected persons;
- (4) Any other guarantees stipulated by the CSRC, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed or the Articles of Association. ~~Guarantee with an amount exceeding 30% of the Company's latest audited total assets based on the principle of the accrued guarantee amount for twelve consecutive months; or~~
- (5)(7) ~~Other guarantees as required by the CSRC, the National Equities Exchange and Quotations, the Hong Kong Listing Rules and other securities regulatory rules of the Company's listing location.~~

If the Company provides guarantees for its wholly-owned subsidiaries, or its controlled subsidiaries when other shareholders of such controlled subsidiaries provide guarantees in the same proportion of their interests without prejudice to the interests of the Company, it may be exempted from the applicable requirements from items (1) to (3)(5) of paragraph 1 under this Article.

**Article 9** ~~The following related (connected) transactions of the Company must be reviewed and approved in the shareholders' meeting:~~

- ~~(1) Transactions with related (connected) parties (excluding the provision of guarantees) that account for more than 5% of the Company's latest audited total assets and exceed RMB30 million;~~
- ~~(2) Transactions that account for more than 30% of the Company's latest audited total assets;~~

~~For ordinary related (connected) transactions with related (connected) parties every year, the Company can make a reasonable estimate of the total amount of related (connected) transactions that will occur during the year before disclosing the annual report for the previous year, and propose the estimated amount to the board of directors or the shareholders' meeting for review; and if the actual amount exceeds the estimated amount, the Company shall proceed with corresponding procedures on matters in relation to the excess amount~~

**Article 10** ~~Transactions (other than the provision of guarantees) of the Company that meet the following criteria shall be considered by the board of directors:~~

- ~~(1) The transaction involving total assets (where both book value and appraised value exist, whichever is higher) or a transaction amount accounting for more than 50% of the Company's audited total assets for the latest accounting year;~~
- ~~(2) The net assets involved in the transaction or the transaction amount accounts for more than 50% of the absolute value of the Company's audited net assets in the latest accounting year and exceeding RMB15 million;~~
- ~~(3) Review of the purchase and sale of major assets by the Company within one year with an amount exceeding 30% of the Company's latest audited total assets.~~

~~If the data involved in the calculation of the above indicators is negative, its absolute value shall be used for calculation.~~

~~If the subject of a transaction is equity, and the purchase or sale of such equity will result in a change in the scope of the Company's consolidated statements, the equity interests relative to all of the Company's assets and operating revenue are considered to be the total assets involved in the transaction and the operating revenue related to the subject of the transaction.~~

~~Transaction amount refers to the amount paid for the transaction and the debts and expenses incurred. For transactions involving potential future payments or receipts of consideration, where no specific amount is specified or the amount is determined based on set conditions, the maximum expected amount is the transaction amount.~~

~~For transactions involving potential future payments or receipts of consideration, where no specific amount is specified or the amount is determined based on set conditions, the maximum expected amount is the transaction amount.~~

**Chapter III Manner of Convening Shareholders' General Meetings**

**Article 11 8** Shareholders' General meetings are divided into annual shareholders' general meetings and extraordinary shareholders' general meetings. Shareholders' General meetings are generally convened by the board of directors.

**Article 12 9** An annual shareholders' general meeting shall be held once each year and shall be convened within 6 months after the end of the previous financial year. An extraordinary shareholders' general meeting shall be convened within 2 months from the occurrence of any of the following circumstances:

- (1) When the number of directors is less than the number stipulated in Company Law or two-thirds of the number specified in the Articles of Association;
- (2) When the unrecovered losses of the Company amount to one-third of the total amount of its share capital;
- (3) When requested by shareholder(s) individually or in the aggregate holding 10% or more of the Company's shares;
- (4) When the board of directors deems it necessary to convene such a meeting;
- (5) When proposed by the Audit Committee;
- (1) Any other circumstances stipulated in the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association. When the number of directors is less than two-thirds of the number of directors stipulated in the Company's Articles of Association or less than the minimum number stipulated in the Company Law;
- (2) ~~When the Company's unrecovered losses reach one-third of its total paid-in capital;~~
- (3) ~~When any shareholder individually or jointly holding 10% or more of the Company's shares requests in writing for the convening of an extraordinary general meeting;~~
- (4) ~~When the board of directors deems it necessary;~~
- (5) ~~When it is proposed to be convened by the board of supervisors;~~
- (6) ~~Other circumstances as stipulated by laws, administrative regulations, rules, the Company's Articles of Association, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.~~

The number of shares held as mentioned in item (3) above shall be subject to the number of shares held on the date when the shareholder submits a written request.

**Article 13 10** The Company shall convene ~~shareholders'~~general meetings at the Company's domicile or at the venue specified in the notice of convening the general meeting.

The ~~shareholders'~~general meeting shall have a venue and be convened in the form of an on-site meeting, or ~~via combined with~~ electronic communication, or a combination thereof. After the notice of the general meeting is issued, the venue for the on-site meeting shall not be changed without proper justification. If a change is indeed necessary, the convener shall announce the change and state the reasons at least two working days prior to the date of the on-site meeting. The timing and location of the on-site meeting shall be chosen to facilitate shareholder attendance. The Company shall ensure that the ~~shareholders'~~general meetings are lawful and effective and provide convenience for shareholders to attend the meetings. The ~~shareholders'~~general meeting shall allow reasonable discussion time for each proposal.

While ensuring the legality and effectiveness of the general meeting and where conditions permit, the Company may use various modern information technology means to facilitate shareholder participation in general meetings. Shareholders participating in general meetings via such technology in a virtual manner shall be deemed present and may vote electronically via the internet.

When the Company convenes general meetings via electronic communication and adopts online voting, it shall do so in accordance with the relevant provisions of the Company Law and the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed.

**Article 14 11** When convening a ~~shareholders'~~general meeting, the Company may engage lawyers to issue legal opinions on the following issues:

- (1) Whether the convening and holding procedures of the meeting comply with laws, administrative regulations, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed;
- (2) Whether the qualifications of the attendees and the convener are lawful and valid;
- (3) Whether the voting procedures and results of the meeting are lawful and valid; and
- (4) Other relevant issues at the request of the Company.

**Chapter IV Convening of Shareholders' General Meetings**

**Article 15** ~~12~~ The board of directors shall convene general meetings within the prescribed time limits. Subject to the consent of more than half of all independent non-executive directors, the independent non-executive directors have the right to propose to the board of directors the convening of an extraordinary ~~shareholders'~~general meeting. Upon the proposal by independent non-executive directors to convene an extraordinary ~~shareholders'~~general meeting, the board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association, provide written feedback within 10 days of receipt of the proposal, indicating agreement or disagreement with convening the extraordinary ~~shareholders'~~general meeting.

If the board of directors agrees to convene an extraordinary general meeting, the board of directors will issue a notice of convening the ~~shareholders'~~general meeting within 5 days after the board of directors' resolution is made; and if the board of directors disagrees to convene an extraordinary general meeting, it will state the reasons and make an announcement.

**Article 16** ~~13~~ The Audit Committee ~~The board of supervisors~~ has the right to propose to the board of directors the convening of an extraordinary ~~shareholders'~~general meeting and shall submit the proposal to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association, provide written feedback within 10 days of receipt of the proposal, indicating agreement or disagreement with convening the extraordinary ~~shareholders'~~general meeting.

If the board of directors agrees to convene an extraordinary general meeting, the board of directors will issue a notice of convening the ~~shareholders'~~general meeting within 5 days after the board of directors' resolution is made, and any changes to the original proposal contained in the notice shall be approved by the Audit Committee ~~the board of supervisors~~.

If the board of directors disagrees with convening the extraordinary ~~shareholders'~~general meeting, or fails to provide feedback within 10 days of receipt of the proposal, it shall be deemed that the board of directors is unable or unwilling to perform its duty to convene the ~~shareholders'~~general meeting, and ~~the board of supervisors should~~ the Audit Committee may convene and preside over the meeting on its own.



**Article 14** ~~17~~ Shareholder(s) holding singly or collectively 10% or more of the Company's shares (excluding treasury shares) may ~~be entitled to~~ request the board of directors to convene an extraordinary ~~shareholders'~~shareholders' general meeting and shall submit the request to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association, provide written feedback within 10 days of receipt of the request, indicating agreement or disagreement with convening the extraordinary ~~shareholders'~~shareholders' general meeting.

If the board of directors agrees to convene an extraordinary general meeting, the board of directors will issue a notice of convening the ~~shareholders'~~shareholders' general meeting within 5 days after the board of directors' resolution is made, and any changes to the original request contained in the notice shall be approved by the shareholders concerned.

If the board of directors disagrees with convening the extraordinary ~~shareholders'~~shareholders' general meeting, or fails to provide feedback within 10 days of receipt of the request, shareholder(s) holding singly or collectively 10% or more of the Company's shares (excluding treasury shares) have the right to propose to ~~the board of supervisors~~ the Audit Committee the convening of an extraordinary ~~shareholders'~~shareholders' general meeting and shall submit the request to ~~the board of supervisors~~ the Audit Committee in writing.

If ~~the board of supervisors~~ the Audit Committee agrees to convene an extraordinary general meeting, it will issue a notice of convening the ~~shareholders'~~shareholders' general meeting within 5 days upon receipt of the request, and any changes to the original request contained in the notice shall be approved by the shareholders concerned.

If ~~the board of supervisors~~ the Audit Committee fails to issue the notice of the ~~shareholders'~~shareholders' general meeting within the specified time limit, it shall be deemed that ~~the board of supervisors~~ the Audit Committee is not convening and presiding over the ~~shareholders'~~shareholders' general meeting, and shareholder(s) holding singly or collectively 10% or more of the Company's shares (excluding treasury shares) for 90 or more consecutive days may convene and preside over the meeting on their own. ~~Prior to the announcement of the resolution adopted at the shareholders' meeting, shareholders convening the shareholders' meeting shall jointly hold 10% or more of the Company's shares.~~

~~When shareholders individually or jointly holding 10% or more of the Company's shares request to convene an extraordinary general meeting, the board of directors and the board of supervisors shall make a decision on whether to convene the extraordinary general meeting and reply to the shareholders in writing within 10 days upon receipt of the request.~~

**Article 18** ~~15~~ If ~~the board of supervisors the Audit Committee~~ or shareholder(s) decides to convene a shareholders' general meeting on its/their own, it/they must notify the board of directors in writing.

If shareholder(s) decides to convene a shareholders' general meeting on its/their own, the shareholding percentage of the convening shareholder(s) shall not be less than 10% (excluding treasury shares) before the announcement of the shareholders' general meeting resolution.

**Article 19** ~~16~~ For shareholders' general meetings convened by ~~the board of supervisors the Audit Committee~~ or shareholder(s) on its/their own, the board of directors ~~and the secretary to the board of directors~~ shall provide cooperation and promptly perform information disclosure obligations. The board of directors shall provide the register of shareholders of the Company as of the record date.

**Article 20** ~~17~~ Necessary expenses incurred for shareholders' general meetings convened by ~~the board of supervisors the Audit Committee~~ or shareholder(s) on its/their own in accordance with the law shall be borne by the Company.

#### Chapter V Proposals for Shareholders' General Meetings

**Article 21** ~~18~~ Specific proposals shall be made for matters requiring discussion at the shareholders' general meeting, and the shareholders' general meeting shall adopt resolutions on specific proposals.

**Article 22** ~~19~~ Proposals for the shareholders' general meeting shall satisfy the following conditions:

- (1) Their content does not contravene laws, administrative regulations, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, and falls within the scope of the Company's business and the powers of the shareholders' general meeting;
- (2) They have a clear topic and specific matters for resolution;
- (3) They are submitted or delivered to the convener in writing.

**Article 23 20** When the Company convenes a ~~shareholders'~~general meeting, the board of directors, ~~the board of supervisors the Audit Committee~~, and shareholder(s) holding singly or collectively 1% or more of the Company's shares have the right to submit proposals to the Company.

Shareholder(s) holding singly or collectively 1% or more of the total voting shares of the Company may, 10 days before the ~~shareholders'~~general meeting is convened, submit a provisional proposal in writing to the convener. The convener shall, within 2 days of receipt of the proposal, issue a supplementary notice for the ~~shareholders'~~general meeting, listing the content of the provisional proposal, and submit such provisional proposal to the ~~shareholders'~~general meeting for review; provided that this shall not apply if the provisional proposal contravenes laws, administrative regulations, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, or does not fall within the powers of the ~~shareholders'~~general meeting.

Except as provided in the preceding paragraph, after issuing the notice of the general meeting, the convener may not modify the proposals already listed in the notice or add new proposals.

Proposals not listed in the notice of the general meeting or not in compliance with the provisions of the Articles of Association shall not be voted on or adopted as resolutions at the general meeting.~~Except as provided in the preceding paragraph, the convener shall not modify or add new proposals after issuing the notice of shareholders' meeting. No voting or resolutions on proposals that are not listed in the notice of the shareholders' meeting or that do not comply with laws and regulations, the Company's Articles of Association, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed could be casted or passed in the shareholders' meeting.~~

In the notices of ~~shareholders'~~general meetings and their supplementary notices, the specific content of the proposal as well as all the information or explanations needed to enable shareholders to make reasonable judgments on the matters to be discussed should be adequately and completely disclosed.

**Article 24 21** The convener shall list the items to be discussed at the ~~shareholders'~~general meeting in the notice convening the ~~shareholders'~~general meeting and fully disclose the content of all proposals. Where matters involved in a resolution of a previous ~~shareholders'~~general meeting need to be changed, the content of the proposal shall be complete and may not only list the changes. Items listed under "other matters" without specifying the specific content shall not be considered as proposals and shall not be voted on at the ~~shareholders'~~general meeting.

**Article 25 ~~22~~** The methods and procedures for the nomination of directors ~~or supervisors~~ are as follows:

- (1) Entities entitled to nominate director ~~or supervisor~~ candidates under the Articles of Association shall submit proposals for nominating director ~~or supervisor~~ candidates to the convener of the shareholders' general meeting, and the convener shall submit the proposals to the shareholders' general meeting for review;
- (2) The number of persons nominated by entities entitled to nominate director candidates under the Articles of Association must comply with the provisions of the Articles of Association and may not exceed the number of persons to be elected.

Director ~~or supervisor~~ candidates shall make a written undertaking before the shareholders' general meeting is convened, agreeing to accept the nomination, undertaking that the publicly disclosed information about the director ~~or supervisor~~ candidates is true and complete, and promising to diligently perform director ~~or supervisor~~ duties upon election.

Each director ~~or supervisor~~ candidate shall be proposed as a separate proposal.

The Company shall disclose detailed information about the director ~~or supervisor~~ candidates before the shareholders' general meeting is convened to ensure shareholders have sufficient understanding of the candidates when voting.

**Article 26 ~~23~~** For proposals involving investment, disposal of assets, and mergers and acquisitions, details of the matter shall be fully explained, including: the amount involved, price (or pricing method), book value of assets, impact on the Company, approval status, etc. If asset appraisal, audit, or an independent financial advisor's report is required according to regulations, the board of directors shall disclose the appraisal status, audit results, or the independent financial advisor's report at least 5 working days before the shareholders' general meeting is convened.

**Article 27 24** The appointment or dismissal of an accounting firm shall be proposed by the board of directors and approved by the ~~shareholders'~~general meeting through voting. When the board of directors proposes to dismiss or not to renew the appointment of an accounting firm, it shall notify the accounting firm 30 days in advance and explain the reasons to the ~~shareholders'~~general meeting. When the ~~shareholders'~~general meeting votes on the dismissal of an accounting firm, the accounting firm has the right to present its views to the ~~shareholders'~~general meeting.

The appointment of an accounting firm by the Company must be decided by the ~~shareholders'~~general meeting; the board of directors may not appoint an accounting firm before the decision of the ~~shareholders'~~general meeting.

If an accounting firm resigns, the board of directors shall explain the reasons at the next ~~shareholders'~~general meeting. The resigning accounting firm has the responsibility to explain in writing or by sending a representative to attend the ~~shareholders'~~general meeting to explain whether there is any improper situation in the Company.

#### Chapter VI Notice and Change of ~~Shareholders'~~General Meetings

**Article 28 25** The notice of a ~~shareholders'~~general meeting shall be issued by the convener of the meeting. As stipulated in these Rules, the convener may include the board of directors, ~~the board of supervisors~~ and convening shareholder(s).

**Article 29 26** When the Company convenes a ~~shareholders'~~general meeting, the convener shall notify all shareholders of the annual ~~shareholders'~~general meeting in the manner prescribed by the Articles of Association 21 days before the meeting is convened, and notify all shareholders of an extraordinary ~~shareholders'~~general meeting in the manner prescribed by the Articles of Association 15 days before the meeting is convened.

When calculating the aforementioned notice period, the Company excludes the date on which the meeting is held. With the consent of more than two-thirds of the voting rights represented by the shareholders (including their proxies) present at the meeting, the period of advance notice which shall be set out in the meeting minutes may be waived and the resolution adopted at such ~~shareholders'~~general meeting shall be lawful and valid.

Proposals not listed in the notice or supplementary notice of the ~~shareholders'~~general meeting or not in compliance with these Rules shall not be voted on or adopted as resolutions at the ~~shareholders'~~general meeting.

**Article 30 27** The notice of a ~~shareholders'~~general meeting includes the following content:

- (1) Time, location and duration of the meeting;
- (2) Matters and proposals submitted to the meeting for consideration;
- (3) The record date for shareholders entitled to attend the ~~shareholders'~~general meeting;
- (4) Explanation in obvious words: All the shareholders have the right to attend the ~~shareholders'~~general meeting and may appoint a proxy who does not have to be a shareholder of the Company in writing to attend the meeting and to participate in voting;
- (5) Name and telephone number of the standing contact person for conference affairs;
- (6) If the ~~shareholders'~~general meeting adopts other methods, the notice shall clearly state the voting time and procedures for such other methods;
- (7) Any other content stipulated in laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed.

**Article 31 28** The notice and supplementary notice of the ~~shareholders'~~general meeting shall fully and completely disclose all specific content of the proposals.

**Article 32 29** If the ~~shareholders'~~general meeting intends to discuss the election of directors ~~or supervisors~~, the notice of the ~~shareholders'~~general meeting shall fully disclose detailed information about the director ~~or supervisor~~ candidates, including at least the following content:

- (1) Educational background, working experience, concurrent job and other personal information;
- (2) Whether there is any connected relationship with the Company or the Company's controlling shareholder(s) and actual controller(s);
- (3) Number of Company shares held;
- ~~(4) Whether any of the circumstances stipulated under Article 178 of the Company Law exists;~~
- ~~(5)~~(4) Whether they have been subject to penalties by the China Securities Regulatory Commission and other relevant departments and disciplinary actions by stock exchanges;
- ~~(6)~~(5) Any other content stipulated in laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules in the place where the Company's shares are listed.

**Article 30** Unless otherwise stipulated in the Articles of Association, the notice of a general meeting shall be issued in the manner prescribed in Article 158 of the Articles of Association, and the addressee's address shall be the address registered in the register of shareholders (and there is no prohibition against sending notices to shareholders whose registered address is outside Hong Kong). The notice of a general meeting may also be issued by way of announcement.

Notices, circulars, and related documents for general meetings may be published via the Company's website and the website(s) designated by the Hong Kong Stock Exchange, provided that the conditions of laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association are satisfied. Once announced, it shall be deemed that all shareholders have received the notice regarding the general meeting.

After the notice of a ~~shareholders'general~~ meeting is issued, without proper justification, the ~~shareholders'general~~ meeting shall not be postponed or cancelled, and the proposals listed in the notice shall not be cancelled. Once ~~If~~ a postponement or cancellation ~~is needed~~ occurs, the Company shall announce and ~~detailedly~~ explain the reasons at least 2 trading days before the originally scheduled date of the ~~shareholders'general~~ meeting.

## **Chapter VII Attendance and Registration for ~~Shareholders'General~~ Meetings**

**Article 31** All shareholders or their proxies registered in the register of shareholders on the record date have the right to attend the Company's ~~shareholders'general~~ meetings and exercise voting rights in accordance with relevant laws, regulations, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed. Shareholders may attend ~~shareholders'general~~ meetings in person or appoint a proxy to attend and vote on their behalf.

**Article 32** Any shareholder entitled to attend and vote at a ~~shareholders'general~~ meeting has the right to appoint one or more persons (who need not be shareholders) as his/her/its proxy/proxies to attend and vote. Acting in accordance with the shareholder's authorization, such proxy may exercise the following rights:

- (1) The speaking rights of that shareholder at the ~~shareholders'general~~ meeting;
- (2) The right to demand a poll, either alone or jointly with others;
- (3) The right to vote by a show of hands or by poll; provided that if more than one proxy is appointed, such proxies may only exercise voting rights by poll.

**Article 33** A shareholder shall appoint a proxy in writing. The power of attorney for appointing a proxy to attend a ~~shareholders' general~~ meeting issued by a shareholder shall state the following:

- (1) The name of the authorizing person and the class and number of Company shares held;
- (2) The name of the proxy;
- (3) Specific instructions of the shareholder, including instructions to vote for, against, or abstain on each proposal listed on the agenda of the general meeting;
- (4) The date of issuance and the validity period of the power of attorney;
- (5) Signature (or stamp) of the authorizing person. If the authorizing person is a corporate shareholder or institutional shareholder, seal of the corporate shareholder or institutional shareholder shall be affixed; and
- (+) Any other content stipulated by laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed. Name of the proxy;
- ~~(2) Whether voting rights are granted to the proxy;~~
- ~~(3) Instructions on voting for, against, or abstaining on each item on the agenda of the shareholders' meeting;~~
- ~~(4) Date of issuance and expiration date of the power of attorney;~~
- ~~(5) Signature (or stamp) of the principal . If the principal is a corporate shareholder or institutional shareholder, seal of the corporate shareholder or institutional shareholder shall be affixed and signed by the legal representative;~~
- ~~(6) The power of attorney shall indicate whether the shareholder's proxy can vote of his or her own accord if the shareholder does not provide any specific instructions .~~
- ~~(7)(6) If the shareholder does not give specific instructions or restrictions in the power of attorney, it shall be deemed as a full power of attorney.~~



**Article 324** The power of attorney for proxy voting shall be deposited at the Company's domicile or at another place specified in the notice convening the meeting at least 24 hours before the meeting at which the matter authorized by such power of attorney is to be discussed, or at least 24 hours before the designated voting time. If the power of attorney is signed by a person authorized by the authorizing person, the authorization letter or other authorization document shall be notarized. The notarized authorization letter or other authorization document and the power of attorney for proxy voting shall be deposited simultaneously at the Company's domicile or at another place specified in the notice convening the meeting.

If a shareholder is a legal person or other organization, 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'~~general meeting as its representative.

**Article 335** Any blank proxy form issued by the board of directors to shareholders for appointing a shareholder proxy shall, in its format, allow the shareholder freely to choose to instruct the shareholder proxy to vote for, against, or abstain, and to give separate instructions on each matter to be voted on under each proposal of the meeting.

**Article 346** If, prior to the voting, the authorizing person has died, become incapacitated, revoked the authorization, revoked the authorization to sign the power of attorney, or transferred the shares held, provided that the Company has not received written notice of such matters before the relevant meeting begins, the vote cast by the shareholder proxy in accordance with the power of attorney shall still be valid.

**Article 357** A shareholder who has appointed a proxy to attend a ~~shareholders'~~general meeting need not attend the meeting in person. A shareholder may not repeatedly authorize a proxy beyond the number of shares held.

**Article 368** Individual shareholders attending a meeting in person shall present their identification card or other valid identification document or proof; if appointing a proxy to attend the meeting on their behalf, the proxy shall present his/her valid identification document and the shareholder's written power of attorney.

A legal person shareholder or institutional shareholder shall be represented at the meeting by its legal representative or head of the institution, or by a proxy appointed by the legal representative or head of the institution. The legal representative or head of the institution attending the meeting shall present his/her identification card and valid proof of his/her status as legal representative or head of the institution; a proxy attending the meeting shall present his/her identification card and the written power of attorney legally issued by the legal representative or head of the institution of the legal person shareholder or institutional shareholder unit.

**Article 379** The Company shall be responsible for preparing the attendance register for the meeting. The attendance register shall record matters such as the name of shareholders attending the meeting, ID number, domicile/address, number of voting shares held or represented, name of the proxy, and name of the shareholder represented.

**Article 3840** Directors and senior management officers shall attend the general meeting and accept inquiries from shareholders if the general meeting so requires. ~~When the shareholders' meeting is convened, the directors, supervisors and the secretary to the board of directors of the Company shall attend the meeting, and the general manager and other senior management officers shall attend the meeting as non-voting participants~~

**Article 3941** The board of directors ~~and the board of supervisors~~ of the Company shall take necessary measures to ensure the solemnity and normal order of the shareholders' general meeting. Except for attending or present shareholders (or proxies), directors, ~~supervisors~~, general managers, other senior management officers, hired lawyers, and personnel invited by the board of directors, the Company has the right to refuse entry to other persons in accordance with the law. For acts that disrupt the order of the shareholders' general meeting, provoke trouble, or infringe upon the lawful rights and interests of other shareholders, the Company shall take measures to stop them and promptly report to relevant departments for investigation.

**Article 402** When convening shareholders' general meetings, the Company shall adhere to the principle of simplicity and thrift and shall not provide additional economic benefits to attending shareholders (or proxies).

**Chapter VIII Conduct of Shareholders' General Meetings**

**Article 413** The Company shall, on the premise of ensuring the legality and effectiveness of the shareholders' general meeting, provide convenience for shareholders to participate in shareholders' general meetings through various methods and channels.

**Article 424** The general meeting shall be presided over by the chairman of the board. If the chairman is unable or unwilling to perform his/her duties, a director jointly recommended by more than half of the directors shall preside.

A general meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or unwilling to perform his/her duties, a member of the Audit Committee jointly recommended by more than half of the Audit Committee members shall preside.

**Article 42** ~~If a shareholders' meeting is convened by the board of directors, the chairman of the board shall serve as the meeting chairperson and preside over the meeting. If the chairman is unable to perform his/her duties, a director shall be jointly nominated by a majority of the directors to preside over the meeting.~~

~~For shareholders' meetings convened by the board of supervisors, the chairman of the board of supervisors shall serve as the meeting chairperson and preside over the meeting. If the chairman of the board of supervisors is unable to perform his/her duties or fails to perform his/her duties, a supervisor shall be jointly nominated by a majority of the supervisors to preside over the meeting.~~

A shareholders' general meeting convened by shareholder(s) on its/their own shall be presided over by the convener or a representative recommended by it/them.

If, for any reason, ~~the directors, the supervisors or~~ the convener cannot or fails to recommend a meeting chairperson, the shareholder (including shareholder proxy) present at the meeting holding the largest number of voting shares shall serve as the chairperson of the meeting.

When a shareholders' general meeting is convened and the chairman violates the rules of ~~procedure~~ in a way that makes it impossible for the shareholders' general meeting to continue, a person may be elected at the shareholders' general meeting to act as the chairman so as to carry on with the meeting, subject to the approval of a majority of the attending shareholders holding voting rights.

**Article 435** The main duties of the chairperson of the shareholders' general meeting are:

- (1) To maintain meeting order;
- (2) To control the progress of the meeting;
- (3) To organize the meeting to discuss and vote on various draft resolutions.

**Article 446** The chairperson of the ~~shareholders'~~general meeting shall safeguard the speaking rights of shareholders or their proxies. A shareholder or proxy wishing to speak shall first raise his/her hand and, upon permission from the chairperson, speak at his/her seat or at a designated speaking podium. If multiple shareholders or proxies raise their hands wishing to speak, the one who raised his/her hand first shall speak first; if the order cannot be determined, the chairperson may require the shareholders wishing to speak to register with the meeting secretary in the order of registration. Shareholders or their proxies shall speak on the content of the proposals. If a shareholder or proxy violates this Article, the chairperson may refuse or stop him/her from speaking.

Before speaking, a shareholder or proxy shall first introduce his/her identity, the number of shares represented, etc., and then express his/her views.

**Article 457** When discussing agenda items, shareholders or their proxies shall concisely state their views. For questions not explained by the reporter that affect their judgment and voting, they may raise inquiries and request the reporter to provide explanations.

For questions and suggestions raised by shareholders, the chairperson shall personally or designate attending directors, ~~supervisors~~, general managers, and other senior management officers to provide answers or explanations. Under any of the following circumstances, the chairperson may refuse to answer or refuse to designate relevant personnel to answer, but shall explain the reasons to the inquirer:

- (1) The inquiry is unrelated to the agenda item;
- (2) The matter inquired about awaits investigation;
- (3) It involves the Company's trade secrets and cannot be disclosed at the ~~shareholders'~~general meeting;
- (4) Answering the inquiry would significantly harm the common interests of shareholders;
- (5) Other important reasons.

**Article 468** The chairman of the meeting shall, before voting, announce the number of shareholders and proxies attending the on-site meeting and the total number of shares with voting rights which are subject to the meeting register.

**Article 479** At the annual ~~shareholders'~~general meeting, the board of directors ~~and the board of supervisors~~ shall report to the ~~shareholders'~~general meeting on its work over the past year. Independent non-executive directors shall submit an annual performance report complying with relevant laws and regulations to the Company's annual ~~shareholders'~~general meeting, explaining their performance of duties.

**Article 4850** If the certified public accountant issues an audit report on the Company's financial report with an explanatory note, a qualified opinion, a disclaimer of opinion, or an adverse opinion, the Company's board of directors shall explain to the ~~shareholders' general~~ meeting the matters leading to the accountant issuing such opinion and their impact on the Company's financial condition and operating condition.

### Chapter IX Voting and Resolutions of ~~Shareholders' General~~ Meetings

**Article 4951** Resolutions of ~~shareholders' general~~ meetings are divided into ordinary resolutions and special resolutions.

An ordinary resolution of the ~~shareholders' general~~ meeting shall be adopted by more than half of the voting rights held by shareholders (~~including proxies~~) attending the meeting.

A special resolution of the ~~shareholders' general~~ meeting shall be adopted by two-thirds or more of the voting rights held by shareholders (~~including proxies~~) attending the meeting.

**Article 502** The following matters shall be adopted by the ~~shareholders' general~~ meeting as ordinary resolutions:

- (1) Work report of the board of directors;
- (2) Plans for profit distribution and recovery of losses drafted by the board of directors;
- (3) Appointment, removal, remuneration, and payment methods of members of the board of directors;
- (4) Any other matters other than those required by the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association to be approved by special resolution. ~~Appointment or removal of members of the board of directors and the board of supervisors and their remuneration and method of payment thereof;~~
- (1) ~~Work reports of the board of directors and the board of supervisors;~~
- (3) ~~The Company's plan for profit distribution and plan for recovery of losses;~~
- (4) ~~appointment and dismissal of the accounting firms;~~
- (5) ~~The Company's annual report; and~~

~~(6)(4) Other matters other than a special resolution to be passed as stipulated by laws, administrative regulations, rules, the Company's Articles of Association, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.~~

**Article 513** The following matters shall be adopted by the ~~shareholders'~~general meeting as special resolutions:

- (1) Increase or decrease in the Company's registered capital ~~and the issuance of any kind of shares, warrants and other similar securities;~~
- (2) Merger, division, dissolution, liquidation, or change of corporate form of the Company;
- (3) Plans for issuing bonds or listing;
- (4) Amendment of the Articles of Association;
- (5) Purchase or sale of major assets by the Company within one year, or provision of guarantees ~~externally to others~~, reaching or exceeding 30% of the Company's total assets as of the date of its most recent audited financial statements;
- (6) Entrusted operation or joint operation with others accounting for 30% or more of the Company's total assets as of the date of its most recent audited financial statements;
- ~~(7) Equity incentive plans;~~
- ~~(8)(7) Repurchase of the Company's shares;~~
- ~~(9)(8) Other matters stipulated by laws, administrative regulations, rules, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, as well as other matters which the shareholders' general meeting determines by ordinary resolution will have a material impact on the Company and need to be adopted as special resolutions.~~

**Article 524** When voting at a ~~shareholders'~~general meeting, a shareholder ~~(including his/her proxy)~~ shall exercise voting rights based on the number of voting shares he/she/it represents, with each share carrying one vote.

Shares held by the Company itself carry no voting rights, and such shares shall not be included in the total number of voting shares present at the ~~shareholders'~~general meeting.

The board of directors and shareholders meeting relevant prescribed conditions may solicit proxies from shareholders.

When a matter to be reviewed at the ~~shareholders'~~general meeting involves a related (connected) relationship with a shareholder, such related (connected) shareholder shall not participate in the voting and shall abstain from voting. The voting shares held by such shareholder shall not be included in the total number of voting shares present at the ~~shareholders'~~general meeting. The resolution of the ~~shareholders'~~general meeting shall fully disclose the voting situation of non-related (connected) shareholders.

If any shareholder or its proxy is unable to exercise any voting right on a proposal, the vote cast by such shareholder or its proxy in violation of the foregoing provisions shall not be counted in the voting result.

Persons not qualified to attend this meeting shall have their exercise or representation of shareholder rights (including but not limited to votes cast) at this meeting invalid. Invalid votes resulting therefrom shall not be included in the total number of voting shares present at this meeting.

**Article 535** ~~Shareholders'~~General meetings shall adopt voting by ballot.

**Article 546** If the matter for which a poll is demanded is the adjournment of the meeting, the poll shall be taken forthwith. For other matters for which a poll is demanded, the chairperson of the ~~shareholders'~~general meeting shall decide when the poll shall be taken. The meeting may continue to discuss other matters, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

**Article 557** The ~~shareholders'~~general meeting shall vote on all proposals one by one. If there are different proposals on the same matter, voting shall be conducted in the order of the time the proposals were made. Except where the ~~shareholders'~~general meeting is adjourned or unable to adopt a resolution due to force majeure or other special reasons, the ~~shareholders'~~general meeting shall not shelve or refuse to vote on a proposal.

**Article 568** When the ~~shareholders'~~general meeting reviews proposals, it may not modify the proposals. Otherwise, such changes shall be deemed a new proposal and may not be voted on at the current ~~shareholders'~~general meeting.

**Article 579** The content of each resolution of the ~~shareholders'~~general meeting shall comply with the provisions of laws, the Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed. Directors attending the meeting shall faithfully perform their duties to ensure the truthfulness, accuracy, and completeness of the resolution content, and shall not use expressions that are easily misunderstood.

**Article 5860** Before the ~~shareholders'~~general meeting votes on a proposal, two shareholders' representatives shall be elected to participate in the vote counting and vote scrutiny. When a shareholder has a conflict of interest with a matter being considered, he/she and his/her proxies may not participate in the vote counting or vote scrutiny.

When the ~~shareholders'~~general meeting votes on a proposal, shareholders' representatives ~~together with supervisor's representatives~~ shall be jointly responsible for counting and scrutinizing votes and shall announce the voting results at the meeting. The voting results shall be recorded in the minutes of the meeting.

**Article 5961** The ~~shareholders'~~general meeting shall produce written resolutions. The chairperson is responsible for announcing whether the proposals of the ~~shareholders'~~general meeting are passed based on the Articles of Association and the meeting voting results. His/her decision is final and shall be announced at the meeting and recorded in the meeting minutes.

**Article 602** Shareholders attending the ~~shareholders'~~general meeting shall express one of the following opinions on proposals submitted for voting: agree, oppose, or abstain.

If a poll is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his/her right to vote and the voting results for the number of shares that he/she holds shall be recorded as "abstained".

**Article 613** If the chairperson has any doubt about the voting result, he/she may conduct a count of the votes; if the chairperson does not conduct a count, any shareholder or proxy present at the meeting who has an objection to the voting result announced by the chairperson has the right to demand a count immediately after the announcement of the voting result, and the chairperson shall conduct the count immediately.

If a count is conducted at the ~~shareholders'~~general meeting, the result of the count shall be recorded in the meeting minutes.

**Article 624** The convener shall ensure the ~~shareholders'~~general meeting continues until a final resolution is adopted. If the ~~shareholders'~~general meeting is adjourned or unable to adopt a resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the ~~shareholders'~~general meeting as soon as possible or directly terminate the current ~~shareholders'~~general meeting, and all shareholders shall be notified promptly.

**Article 635** If a proposal is not adopted, or if the current ~~shareholders'~~general meeting changes a resolution of a previous ~~shareholders'~~general meeting, a special note shall be made in the resolution of the ~~shareholders'~~general meeting.



**Article 646** When the ~~shareholders' general~~ meeting reviews proposals concerning the election of directors ~~or supervisors~~, each director ~~or supervisor~~ candidate shall be voted on separately. After the ~~shareholders' general~~ meeting adopts the proposal on the election of directors ~~or supervisors~~, the newly elected directors ~~or supervisors~~ shall assume office immediately after the meeting ends.

**Article 657** Except in special circumstances such as a crisis of the Company, the Company shall not enter into a contract that entrusts the management of the whole or a material part of the Company's business to a person other than a director, general manager, or other senior management officers, unless approved by the ~~shareholders' general~~ meeting by special resolution.

### Chapter X Special Procedures for Voting by Class Shareholders

**Article 668** Shareholders holding different classes of shares are referred to as class shareholders.

Class shareholders enjoy rights and assume obligations in accordance with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

**Article 679** In the event that the Company intends to alter or abolish the rights of class shareholders, such alteration or abolition may only be made after it is passed by special resolution at a ~~shareholders' general~~ meeting, and at ~~shareholders' general~~ meetings respectively convened by affected class shareholders in accordance with the Articles of Association.

Changes in or abrogation of the rights of a class of shareholders as a result of changes in the PRC and overseas laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, and decisions made by securities regulatory authorities in the PRC and overseas in accordance with the law, do not require the approval of the ~~shareholders' general~~ meeting or the class meeting.

The act of a holder of the Company's domestic shares transferring all or part of its unlisted shares to an overseas investor and having them listed and traded overseas, or the act of converting all or part of its domestic shares into overseas listed shares and having them listed and traded on an overseas stock exchange, shall not be regarded as the Company's intention to change or abrogate the rights of the class shareholders.

**Article 6870** The following scenarios shall be deemed as alteration or abolition of the rights of a class shareholder:

- (1) To increase or decrease the number of shares of that class, or increase or decrease the number of shares of a class entitled to equal or more voting rights, distribution rights and other privileges as the shares of that class;
- (2) To change all or part of the shares of that class to the shares of another class, or change all or part of the shares of another class to the shares of that class or grant the conversion rights thereto;
- (3) To cancel or reduce the rights owned by the shares of that class to acquire the accrued dividends or cumulative dividends;
- (4) To reduce or cancel the rights owned by the shares of that class to the priority to obtain dividends or the distribution of property during the liquidation of the Company;
- (5) To increase, cancel or reduce the share conversion rights, options, voting rights, transfer rights, priority placement rights and the rights to obtain securities of the Company owned by the shares of that class;
- (6) to cancel or reduce the rights owned by the shares of that class to receive payables from the Company in a particular currency;
- (7) To establish a new class entitled to equal or more voting rights, distribution rights or other privileges as the shares of that class;
- (8) To impose restrictions on or increase such restrictions on the transfer of ownership of the shares of that class;
- (9) To issue share options or share conversion rights in respect of the shares of that or another class;
- (10) To increase the rights and privileges of the shares of other classes;
- (11) A corporate restructuring program constitutes the unproportionate distribution of responsibilities undertaken by the shareholders of different classes in the restructuring; and
- (12) To modify or repeal the clauses hereof.

**Article 6971** Affected class shareholders, regardless of whether they originally had voting rights at the ~~shareholders' general~~ meeting, have voting rights at the class meeting on matters involving items (2) to (8) and (11) to (12) of Article 70, but interested shareholders have no voting rights at the class meeting.

The term “interested shareholder” in the preceding paragraph has the following meanings:

- (1) In the case of the Company making an offer to all shareholders to repurchase its own shares in the same proportion in accordance with the provisions of the Articles of Association or repurchasing its own shares through open market transactions on the Hong Kong Stock Exchange, “interested shareholder” means a controlling shareholder as defined in the Articles of Association;
- (2) In the case of the Company repurchasing its own shares by agreement outside the Hong Kong Stock Exchange in accordance with the provisions of the Articles of Association, “interested shareholder” means shareholders related to such agreement;
- (3) In a reorganization scheme of the Company, “interested shareholder” means a shareholder who assumes liabilities at a lower proportion than other shareholders of the same class or has interests different from other shareholders of the same class.

**Article 702** A resolution of a class meeting shall be adopted by two-thirds or more of the voting rights held by shareholders entitled to vote present at the class meeting in accordance with Article 102 of the Articles of Association.

**Article 713** When the Company convenes a class meeting, it shall issue a written notice with reference to the notice time limit requirements for convening annual and extraordinary ~~shareholders' general~~ meetings in the Articles of Association, and inform all registered shareholders of that class of the matters to be considered at the meeting and the date and place of the meeting by way of announcement.

**Article 724** If the number of voting shares represented by shareholders intending to attend the meeting reaches more than one-half of the total number of voting shares of that class entitled to vote at the meeting, the Company may convene the class meeting; if not, the Company shall, within 5 days, notify shareholders again by announcement of the matters to be considered at the meeting and the date and place of the meeting. After such announcement, the Company may convene the class meeting.

Notice of a class meeting need only be sent to shareholders entitled to vote at that meeting.

**Article 735** Class meetings shall be conducted, as far as possible, in the same manner as ~~shareholders' general~~ meetings. The provisions in the Articles of Association regarding procedures for ~~shareholders' general~~ meetings apply to class meetings.

Except for other classes of shareholders, domestic shareholders and non-listed foreign shareholders belong to the same class; domestic shareholders and overseas listed foreign shareholders are regarded as different classes; non-listed foreign shareholders and overseas listed foreign shareholders are regarded as different classes.

**Article 746** The following circumstances do not require the special procedures for voting by class shareholders:

- (1) The Company issues domestic shares, non-listed foreign shares, and overseas listed shares separately or simultaneously every 12 months upon approval by the ~~shareholders' general~~ meeting by special resolution, and the number of domestic shares and overseas listed shares to be issued each does not exceed 20% of the total number of such class of shares already issued and outstanding;
- (2) The plan for issuing domestic shares, non-listed foreign shares, and overseas listed shares at the establishment of the Company is completed within 15 months from the date of approval by the securities regulatory authority of the State Council;
- (3) Upon approval by the securities regulatory authority of the State Council, domestic shareholders of the Company transfer all or part of their shares held to foreign investors or domestic shares are converted into overseas listed foreign shares and listed on overseas stock exchanges; or all or part of the Company's already issued but non-listed shares are converted into overseas listed shares.

**Chapter XI Abstention and Voting of Shareholders in Connected Transactions**

**Article 757** When voting on related (connected) transactions at a ~~shareholders' general~~ meeting, the provisions of relevant state laws, regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed shall be observed. Shareholders (including shareholders' proxies) related (connected) with the relevant related (connected) matter may attend the ~~shareholders' general~~ meeting and may explain their views to attending shareholders in accordance with meeting procedures, but must abstain from voting. The voting rights held by such shareholders shall not be included in the total number of voting shares present at the ~~shareholders' general~~ meeting.

The resolution of the ~~shareholders' general~~ meeting shall fully disclose the voting situation of non-related (connected) shareholders. At the same time, the situation of non-related (connected) shareholders shall be specially counted and disclosed in the resolution. For proposals from which related (connected) shareholders abstain from voting, other shareholders attending the ~~shareholders' general~~ meeting shall review and vote on the relevant related (connected) transaction, and the voting result has the same legal effect as other resolutions passed by the ~~shareholders' general~~ meeting.

**Article 768** A resolution on related (connected) transaction matters adopted by the ~~shareholders' general~~ meeting shall be valid only if passed by more than half of the voting rights held by non-related (connected) shareholders present at the ~~shareholders' general~~ meeting. However, if such related (connected) transaction matters involve matters stipulated in Article 51 of these rules ~~of procedures~~, the resolution of the ~~shareholders' general~~ meeting must be passed by two-thirds or more of the voting rights held by non-related (connected) shareholders present at the ~~shareholders' general~~ meeting to be valid.

**Article 779** When voting at the ~~shareholders' general~~ meeting, related (connected) shareholders shall automatically abstain and waive their voting rights. If related (connected) shareholders do not actively abstain, the chairman presiding over the meeting shall require related (connected) shareholders to abstain; if the chairman needs to abstain, other directors shall require the chairman and other related (connected) shareholders to abstain; any shareholder not required to abstain has the right to require related (connected) shareholders to abstain.

**Chapter XII Minutes of Shareholders' General Meetings**

**Article 7880** Minutes shall be kept for ~~shareholders'~~general meetings, which shall be the responsibility of ~~the secretary to the board of directors~~ the directors. The minutes shall record the following:

- (1) The time, place, agenda, or name of the convener of the meeting;
- (2) The name of the chairperson of the meeting and the names of directors and senior management officers present at the meeting;
- (3) The number of shareholders and proxies present, the total number of voting shares held or represented, and the proportion thereof to the total shares of the Company;
- (4) The review process, main points of speeches, and voting results for each proposal;
- (5) Questions or suggestions raised by shareholders and corresponding replies or explanations;
- (6) Names of vote counters and supervisors;
- (1) Other content stipulated by the Articles of Association and laws, regulations, normative legal documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and other content that should be recorded in the minutes.~~Time, location, agenda and name of the convener of the meeting;~~
- (2) ~~The names of the meeting chairman and the directors, supervisors, the general manager and senior management officers appearing in or attending the meeting as non-voting participants;~~
- (3) ~~Number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by such shareholders and the proportion over total shares of the Company;~~
- (4) ~~Consideration and approval process, key points of discussion, and voting results for each proposal;~~
- (5) ~~Shareholders' inquiries or suggestions and corresponding responses or explanations;~~
- (6) ~~Names of tellers and scrutineers; and~~

- (7) ~~Other information that should be included in the meeting minutes as required by the Company's Articles of Association, laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.~~

**Article 7981** The convener shall ensure the content of the minutes is true, accurate, and complete. The minutes of the shareholders' general meeting shall be signed by the directors, ~~the secretary to the board of directors,~~ convener or its representative, and chairperson present at the meeting, and shall be kept together with the attendance register of shareholders, powers of attorney of proxies, and valid materials of voting by other means as Company archives at the Company's domicile. The retention period for the minutes of shareholders' general meetings is 10 years.

**Article 802** Shareholders may inspect copies of the minutes free of charge during the Company's business hours. If any shareholder requests a copy of the minutes, the Company shall send out the copy within 7 days after receiving reasonable costs.

**Article 813** Matters such as the number of attendees at the shareholders' general meeting, the number of shares held by attending shareholders, powers of attorney, voting results on each matter, meeting minutes, and the legality of meeting procedures may be notarized.

### Chapter XIII Implementation of Shareholders' General Meeting Resolutions

**Article 824** Resolutions formed at the shareholders' general meeting shall be organized for implementation by the board of directors, which shall instruct the Company's senior management to specifically implement and undertake them according to the content of the resolutions and division of responsibilities. ~~Matters that the shareholders' meeting resolution requires the board of supervisors to implement shall be directly organized and implemented by the chairman of the board of supervisors.~~

**Article 835** The general manager shall report the execution results of resolution matters to the board of directors, and the board of directors shall report to the next shareholders' general meeting. ~~Matters implemented by the board of supervisors shall be reported by the board of supervisors to the shareholders' meeting. The board of supervisors may also notify the board of directors first when it deems it necessary.~~

**Article 846** The chairman of the Company shall supervise and inspect the implementation of shareholders' general meeting resolutions ~~other than those to be implemented by the board of supervisors~~ and may, when necessary, convene an extraordinary board meeting to hear and review reports on the implementation status of shareholders' general meeting resolutions.

**Article 857** For proposals on cash dividends, bonus issues, or capital reserve conversion into share capital passed by the shareholders' general meeting, the Company shall implement the specific plan within 2 months after the shareholders' general meeting ends.

**Article 868** If the content of a resolution of the Company's shareholders' general meeting violates laws or administrative regulations, shareholders have the right to request the people's court to confirm its invalidity.

If the convening procedures or voting methods of a shareholders' general meeting violate laws, administrative regulations, or the Articles of Association, or the resolution content violates the Articles of Association, shareholders may, within 60 days from the date the resolution is made, request the people's court to revoke it. However, this does not apply if the convening procedures or voting methods of the shareholders' general meeting or board meeting are only slightly flawed and have no substantive impact on the resolution. Shareholders not notified to attend the shareholders' general meeting may, within 60 days from the date they know or should have known the shareholders' general meeting resolution was made, request the people's court to revoke it; if the right of revocation is not exercised within one year from the date the resolution is made, the right of revocation is extinguished.

If a shareholder initiates a lawsuit in accordance with the preceding paragraph, the Company may request the people's court to require the shareholder to provide corresponding security.

If the Company has completed change registration based on a shareholders' general meeting resolution, and the people's court declares such resolution invalid or revokes it, the Company shall apply to the company registration authority to revoke the change registration. The shareholders' general meeting shall adopt a separate resolution on each proposal.

## Chapter XIV Supplementary Provisions

**Article 879** Unless otherwise specified, the terms used in these Rules have the same meanings as those in the Articles of Association.

**Article 8890** Matters not covered by these Rules or that conflict with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association promulgated or amended after these Rules take effect shall be governed by such laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, and these Rules shall be revised promptly and submitted by the board of directors to the shareholders' general meeting for review and approval.



**Article 8991** Unless otherwise stipulated in these Rules and where the context permits no ambiguity, the terms “above,” “within,” “at least,” and “before” used in these Rules shall include the number itself; while “more than,” “less than,” “insufficient,” “beyond,” “lower than” and “over” shall not include the number itself.

**Article 902** When these Rules are amended, the board of directors shall propose the amendment and submit it to the ~~shareholders’~~general meeting for review and approval.

**Article 913** These Rules shall be interpreted by the Company’s board of directors.

**Article 924** These Rules shall become effective ~~since the Company’s initial public offering of H shares and listing on The Stock Exchange of Hong Kong Limited~~ upon approval by the ~~shareholders’~~general meeting.

**CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.  
RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS-(DRAFT)****Chapter I General Provisions**

**Article 1** To further clarify the responsibilities and authority of the board of directors and its members of ContiOcean Environment Tech Group Co., Ltd. (hereinafter referred to as the “Company”), and to improve and standardise the consideration and decision-making procedures of the Board, these Rules of Procedure are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), 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 the Articles of Association of ContiOcean Environment Tech Group Co., Ltd. (hereinafter referred to as the “Articles of Association”).

**Article 2** The board of directors serves as the standing body responsible for the Company’s operational decision-making and is accountable to the shareholders’ meeting. Board meetings constitute the principal forum for consideration by directors. Attendance at such meetings in accordance with regulations represents the fundamental means by which directors discharge their duties.

**Chapter II directors**

**Article 3** A director of the Company who is a natural person shall not act as the director of the Company under any of the following circumstances:

- (1) Lacking or having limited capacity to engage in civil juristic acts;
- (2) Having been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property or disrupting the economic order of the socialist market; or having ever been deprived of political rights due to any crime, with less than 5 years having elapsed since the completion date of the execution of the penalty, or having been granted probation, with less than 2 years having elapsed since the completion date of the probation period; ~~Having been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property or disrupting the economic order of the socialist market; or having ever been deprived of political rights due to any crime, with less than 5 years having elapsed since the completion date of the execution of the penalty, or having been granted probation, with less than 2 years having elapsed since the completion date of the probation period;~~
- (3) Acting as a director, factory director or general manager of a company or enterprise that has been bankrupt and liquidated, whereby the director is personally liable for the bankruptcy of such company or enterprise, with 3 years having not elapsed since the completion date of the bankruptcy and liquidation of the company or enterprise;

- (4) Acting as the legal representative of a company or enterprise, but the business license of this company or enterprise has been revoked and this company or enterprise has been ordered to close due to a violation of the law, whereby the director is personally liable for the revocation, with 3 years having not elapsed since the revocation date of the business license thereof;
- (5) Classified as a dishonest person subject to enforcement due to significant outstanding debts that have become due but have not been paid;
- (6) Prohibited from entering the securities market by the CSRC with the penalty period not yet expired ~~Those who have been subject to securities market entry bans or deemed unsuitable by the CSRC, the securities regulatory authorities in the Company's listing location, or the stock exchange, and whose bans have not yet expired;~~
- (7) Publicly determined by a stock exchange as unsuitable to serve as a director or senior management officers of a listed company, where the prescribed period has not yet expired ~~The person has been subject to disciplinary action by the National Equities Exchange and Quotations or the securities regulatory authority where the Company's shares are listed, which has determined that they are unsuitable to serve as a director, supervisor, or senior manager of the Company, and the term of such disciplinary action has not yet expired;~~
- (8) Other circumstances as stipulated by the CSRC, ~~the National Equities Exchange and Quotations~~, the Hong Kong Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

If a director is elected or appointed in violation of the provisions hereof, such election, appointment or employment shall be null and void. The Company shall terminate the office of a director and cease him/her from performing his/her duties in the event that the circumstances hereof arise during his/her tenure of office.

**Article 4** Independent directors and candidates for independent directors shall not have any of the following adverse records:

- (1) Falling under any circumstance specified in the Company Law that prohibits a person from serving as a director, ~~supervisor~~ or senior management officers;
- (2) subject to a securities market entry ban imposed by the China Securities Regulatory Commission, the securities regulatory authority of the place where the Company's shares are listed, or a stock exchange, where the term of such ban has not yet expired;
- (3) subject to a disciplinary action by ~~the National Equities Exchange and Quotations~~ ~~or the securities regulatory authority~~ of the place where the Company's shares are listed that deems the person unsuitable to serve as a director, ~~supervisor~~ or senior management officers of the company, where the term of such action has not yet expired;

- (4) subject to administrative penalties by ~~the National Equities Exchange and Quotations~~ or the China Securities Regulatory Commission or criminal penalties by judicial authorities due to securities or futures-related illegal activities within the most recent 36 months;
- (5) Being under investigation by the China Securities Regulatory Commission or the securities regulatory authority of the place where the Company's shares are listed, or being subject to case filing for investigation by judicial authorities, due to suspected securities or futures-related illegal activities, and no clear conclusion has yet been reached;
- (6) Publicly condemned by ~~the National Equities Exchange and Quotations~~ or the securities regulatory authority of the place where the Company's shares are listed or having received more than three circulating criticism notices within the most recent 36 months;
- (7) Being restricted from serving as a director or independent director as a dishonest entity subject to joint disciplinary actions, in accordance with relevant regulations issued by the National Development and Reform Commission and other ministries;
- (8) Having been proposed by the board of directors to the shareholders' meeting for removal during a previous tenure as an independent director due to failing to attend three consecutive board meetings in person or failing to attend two consecutive board meetings without delegating another director to attend, and less than 12 months have passed since such removal;
- (9) Any other circumstances stipulated by ~~the National Equities Exchange and Quotations~~, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

**Article 5** Independent directors and independent director candidates must maintain independence. The following persons shall not serve as independent directors:

- (1) Persons employed by the company or its controlled enterprises, as well as their immediate family members and close social relationships;
- (2) Natural persons who directly or indirectly hold more than 1% of the Company's shares or are among the top 10 shareholders of the company, as well as their immediate family members;
- (3) Persons employed by shareholder units that directly or indirectly hold more than 5% of the Company's shares or by the top 5 shareholder units of the company, as well as their immediate family members;
- (4) Persons employed by the Company's controlling shareholder, de facto controller, or enterprises controlled by them;

- (5) Persons providing financial, legal, consulting, or other services to the Company, its controlling shareholder, de facto controller, or enterprises controlled by any of them, including but not limited to all members of the project team of intermediary institutions providing such services, personnel at various review levels, signatories on reports, partners, and principal responsible persons;
- (6) Persons serving as directors, supervisors, or senior management officers in entities having significant business dealings with the company, its controlling shareholder, de facto controller, or enterprises controlled by any of them, or serving as directors, supervisors, or senior management officers in the controlling shareholder units of such entities;
- (7) Persons who, within the last 12 months, have fallen under any of the aforementioned 6 categories;
- (8) Other persons deemed by ~~the National Equities Exchange and Quotations~~, the Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed to lack independence.

~~The enterprises controlled by the controlling shareholder or actual controller of the Company mentioned in items (4), (5) and (6) of the preceding paragraph do not include enterprises that are not related to the Company in accordance with Article 68 of the "Rules for Information Disclosure of Listed Companies on the National Equities Exchange and Quotations".~~

### Chapter III Composition and Authority of the Board of Directors

**Article 6** The board of directors shall comprise eight directors. The board of directors shall have one chairman. Members of the Company's board of directors include three independent directors.

**Article 7** The board of directors shall exercise the following functions and powers:

- (1) To convene the shareholders' meeting and report to the shareholders' meeting;
- (2) To implement the resolutions adopted at shareholders' meeting;
- (3) To decide on the Company's business plans and investment plans;
- (4) To formulate the Company's plan for profit distribution and plan for recovery of losses;
- (5) To formulate plans for increases or reductions of the Company's registered capital and plans for the issue and listing of corporate bonds or other securities;
- (6) To formulate plans for material asset acquisition and purchase of the Company's shares, or merger, demerger, dissolution and change of corporate form of the Company;

- (7) Within the authorization scope by the shareholders' meeting, to decide on matters such as external investment, acquisition and sale of assets, pledge of assets, external guarantee matters, entrusted financial management, related transactions and external donations;
- (8) To decide on the establishment of the Company's internal management structure;
- (9) To appoint or dismiss the Company's general manager; and to appoint or dismiss other ~~the chief financial officer and the secretary to the board of directors~~ senior management officers of the Company pursuant to the nomination of the general manager; and to decide on matters of compensation and rewards and penalties;
- (10) To formulate the Company's basic management system;
- (11) To formulate proposals for amendment to the Articles of Association;
- (12) To manage the Company's disclosure matters;
- (13) To propose to the shareholders' meeting for the appointment or replacement of the accounting firm that audits the Company;
- (14) To receive work reports from the Company's general manager and to inspect the general manager's work; and
- (15) To exercise other functions and powers conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

During the recess of board meetings, the chairman of the board of directors is authorized to exercise part of the functions and powers of the board of directors on behalf thereof, provided that the board of directors shall make collective decisions on significant matters and shall not authorize the statutory functions and powers to individual directors or other persons.

**Article 8** Independent directors shall exercise the following special authorities:

- (1) connected transactions requiring submission to the shareholders' meeting for consideration shall be submitted to the board of directors for discussion after obtaining the approval of the independent directors. Prior to making a decision, independent directors may engage an intermediary institution to issue an independent financial advisor report;
- (2) To propose to the board of directors the appointment or dismissal of an accounting firm;

- (3) To request the board of directors to convene an extraordinary shareholders' meeting;
- (4) To solicit opinions from minority shareholders, proposing profit distribution proposals, and submitting them directly to the board of directors for consideration;
- (5) To propose the convening of a board meeting;
- (6) To engage external auditing and consulting institutions independently;
- (7) To solicit voting rights from shareholders publicly before the shareholders' meeting is held, provided that such solicitation shall not be conducted on a paid or disguised paid basis.

The exercise of the aforementioned authorities by independent directors shall require the approval of more than half of all independent directors.

**Article 9** the Company's independent directors shall express independent opinions on the following significant matters of the Company:

- (1) Nomination, appointment, and removal of directors;
- (2) Appointment and dismissal of senior management officers;
- (3) Remuneration of the Company's directors and senior management officers;
- (4) Formulation, adjustment, decision-making procedures, implementation, and information disclosure of the Company's cash dividend policy, as well as whether the profit distribution policy harms the legitimate rights and interests of minority investors;
- (5) Major matters requiring disclosure, such as connected transactions, external guarantees (excluding guarantees provided to subsidiaries within the consolidated financial statements), entrusted wealth management, provision of financial assistance to external parties, changes in the use of raised funds, voluntary changes in accounting policies by the Company, investments in stocks and their derivatives, etc.;
- (6) Major asset restructuring and equity incentive plans;
- (7) The Company's intention to apply for the termination of the listing of its shares on the National Equities Exchange and Quotations or The Stock Exchange of Hong Kong Limited, or its intention to apply for the trading of its shares on other trading venues;
- (8) Matters that independent directors believe may harm the legitimate rights and interests of minority shareholders;

- (9) Other matters stipulated by relevant laws, regulations, departmental rules, normative documents, business rules of the National Equities Exchange and Quotations, the Company's articles of association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

**Article 10** The independent opinions issued by the Company's independent directors on significant matters shall include at least the following contents:

- (1) The basic details of the significant matter;
- (2) The basis for expressing the opinion, including the procedures performed, documents reviewed, on-site inspection contents, etc.;
- (3) The legitimacy and compliance of the significant matter;
- (4) The impact on the Company and the rights and interests of minority shareholders, potential risks, and the effectiveness of measures taken by the Company;
- (5) The conclusive opinion issued. If a qualified opinion, dissenting opinion, or inability to express an opinion is raised regarding the significant matter, the relevant independent director must clearly state the reasons.

The types of independent opinions issued by independent directors include: agreement; qualified opinion and its reasons; dissenting opinion and its reasons; and inability to express an opinion and its impediments. The opinions expressed shall be clear and unambiguous.

Independent directors shall sign and confirm the issued independent opinions, promptly report the aforementioned opinions to the board of directors, and disclose them concurrently with the Company's relevant announcements.

**Article 11** The board of directors of the Company shall explain to the shareholders' meeting when a certified public accountant issues a non-standard audit opinion in respect of the Company's financial reports.

**Article 12** The board of directors shall develop the Rules of Procedure in order to execute the resolutions of the shareholders' meeting, improve work efficiency and ensure scientific decision-making, which shall be submitted to the shareholders' meeting for approval and attached as an annex to the Articles of Association.

**Article 13** The board of directors shall, at the end of each year, discuss and evaluate whether the corporate governance mechanism provides appropriate protection and equal rights to all shareholders and whether the corporate governance structure is reasonable and effective, and shall decide on the specific improvement measures to be taken based on the evaluation results.



**Article 14** The board of directors shall have the power to decide on the following transactions:

- (1) All matters of external guarantee other than those provided for in Article 46 of the Articles of Association;
- (2) Transactions that shall be submitted to the board of directors for consideration in accordance with the relevant provisions of the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company's shares are listed.~~(1) All matters involving the provision of financial assistance to external parties, except as provided in Article 42 of the Company's Articles of Association;~~
- ~~(2) All external guarantees other than those stipulated in Article 43 of the Company's Articles of Association;~~
- ~~(3) Except for providing guarantees, the board of directors has the authority to decide on related-party transactions except those stipulated in Article 44 of the Company's Articles of Association, which involve transactions between the Company and related natural persons with a transaction amount of RMB500,000 or more, and related-party transactions between the Company and related legal persons with a transaction amount of RMB3 million or more that accounts for more than 0.5% of the Company's most recent audited total assets.~~

**Article 15** ~~In addition to the transactions under the above nine items, any transaction of the Company that meets the following criteria (except for the provision of guarantees) shall be reviewed by the board of directors, and if it meets the requirements for review by the shareholders' meeting, it shall also be submitted to the Company's shareholders' meeting for review:~~

- ~~(1) The total amount of assets involved in the transaction (where both book value and appraised value exist, the higher one shall prevail) or the transaction amount accounts for more than 20% of the Company's audited total assets in the latest accounting year;~~
- ~~(2) The net value of the assets involved in the transaction or the transaction amount accounts for more than 20% of the absolute value of the Company's audited net assets in the latest accounting year and exceeds RMB3 million.~~

**Article 16**~~15~~ The board of directors shall establish strict review and decision-making procedures, under which matters not included in the scope of the decision-making authority of the board of directors are required to be approved by the shareholders' meeting and significant investment projects shall be evaluated by relevant experts and professionals and reported to the shareholders' meeting for approval.

**Article 1716** The chairman shall be appointed from among the directors of the Company and shall be elected and removed by a majority vote of all directors.

**Article 1817** The chairman of the board of directors shall exercise the following functions and powers:

- (1) To preside over the shareholders' meeting and to convene and preside over the board meetings;
- (2) To supervise and inspect the implementation of resolutions of the board of directors;
- (3) To sign share certificates, corporate bonds and other marketable securities of the Company;
- (4) To sign material documents of the board of directors and other documents that shall be signed by the legal representative of the Company;
- (5) To exercise the functions and powers of the legal representative;
- (6) In the event of force majeure emergencies, such as a major natural disaster, to exercise special disposition powers in relation to the Company's affairs in compliance with legal requirements and the interests of the Company, and subsequently report such activities to the board of directors and the shareholders' meeting of the Company; and
- (7) To exercise any other functions and powers conferred by the board of directors.

#### Chapter IV Convening of Board Meetings

**Article 1918** Board meetings are categorized as regular meetings and extraordinary meetings. ~~The board of directors shall notify the supervisors when it convenes a meeting.~~

**Article 2019** Regular board meetings shall be convened at least 42 times annually by the chairman. All directors ~~and supervisors~~ shall be notified ~~to~~ at least 14 days prior to the scheduled date of a regular board meeting.

When convening a board meeting, the chairman shall determine the time, venue, and other details of the meeting.

**Article 2120** Before issuing a notice for a regular board meeting, the office of the board shall fully solicit opinions from all directors. Initial meeting proposals shall be formed and submitted to the chairman for finalization.

The chairman may, as deemed necessary, seek opinions from the general managers and other senior management officers before finalizing the proposals.

**Article 2221** More than 1/10 of the shareholders with voting rights, more than 1/3 of the directors or majority of the independent directors, or ~~the board of supervisors~~ the Audit Committee may propose to convene an extraordinary board meeting. The chairman of the board of directors shall convene and chair the board meeting within 10 days after the receipt of the proposal.

**Article 2322** A request to convene an extraordinary board meeting pursuant to the preceding article shall be submitted to the office of the board via a written proposal signed (or sealed) by the proposer. The written proposal shall specify the following matters:

- (1) The name of the proposer;
- (2) The reason for the proposal or the objective grounds on which the proposal is based;
- (3) The proposed time or timeframe, place, and method for convening the meeting;
- (4) A clear and specific proposal;
- (5) The contact details of the proposer and the date of the proposal, among other information.

The content of the proposal shall fall within the scope of matters under the authority of the board of directors as stipulated in these Rules, and relevant materials related to the proposal shall be submitted together. Upon receiving the aforementioned written proposal and related materials, the office of the board shall forward them to the chairman on the same day. If the chairman considers the content of the proposal to be unclear, insufficiently specific, or the accompanying materials to be inadequate, the chairman may request the proposer to revise or supplement them.

**Article 2423** For convening regular and extraordinary board meetings, notices shall be issued in the following manner:

- (1) Regular meetings shall be notified to all directors ten days prior to the meeting date; extraordinary board meetings shall be notified two days in advance, provided that notification may be given at any time under special circumstances.
- (2) Notices may be delivered by personal delivery, mail, fax, email, or by other means specified in the Company's Articles of Association.

**Article 2524** All significant matters requiring decision by the board of directors must be notified to all directors within the time limits specified in these Rules.

If a director attends the meeting and fails to raise an objection regarding not having received the meeting notice before attending or at the commencement of the meeting, it shall be deemed that the meeting notice has been duly issued to such director.

**Article 2625** The written meeting notice shall include at least the following contents:

- (1) The date and venue of the meeting;
- (2) The duration of the meeting;
- (3) The reasons and agenda of the meeting;
- (4) The date of notice given; and
- (5) Other circumstances as stipulated in the laws, administrative regulations, departmental rules or regulatory legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

A verbal meeting notice shall include at least the contents of items (1) and (2) above, along with an explanation of the urgent situation requiring the prompt convening of an extraordinary board meeting.

**Article 2726** After the written notice for a regular board meeting has been issued, if changes to the meeting time, venue, or other matters are required, or if there is a need to add, modify, or cancel meeting proposals, a written notice of change shall be issued at least 3 days prior to the originally scheduled meeting date. This notice shall explain the circumstances and provide details of the new proposal along with any relevant materials. If the notice period is less than 3 days, the meeting date shall be postponed accordingly, or the meeting may proceed as originally scheduled with the unanimous consent of all attending directors.

For extraordinary board meetings, after the meeting notice has been issued, if changes to the meeting time, venue, or other matters are required, or if there is a need to add, modify, or cancel meeting proposals, prior unanimous consent from all attending directors must be obtained, and a corresponding record shall be made.

**Article 2827** Persons required to attend the meeting shall, upon receiving the meeting notice, promptly inform the office of the board of their attendance status.

**Article 2928** Prior to the convening of a board meeting, the Board shall provide all directors with sufficient materials, including relevant background information on the meeting topics, as well as information and data that assist directors in understanding the Company's business progress.

**Article 3029** For special presentations to be made at the board meeting, the presentation materials shall be distributed to board members in advance to conserve meeting time and focus discussions on questions raised by the board of directors regarding the materials.

In cases where the subject matter is too sensitive to be presented in writing, the content of the presentation will be discussed during the meeting.

**Article 3130** A registration system shall be implemented for board meetings. The meeting attendance record and other written meeting materials shall be filed and maintained together.

**Article 3231** directors shall attend board meetings in person. If unable to attend due to reasons, a director may appoint another director as a proxy to attend in writing, provided that independent directors shall not appoint non-independent directors as their proxies. For matters involving voting, the appointing director shall clearly specify in the proxy form their opinion on each matter as “agree,” “disagree,” or “abstain.” The proxy form shall include the following contents:

- (1) The name and ID number of both the appointing director and the proxy;
- (2) The appointing director ‘s brief opinion on each proposal;
- (3) The scope of authorization by the appointing director and instructions regarding the voting intention on proposals;
- (4) The validity period of the proxy;
- (5) The signature of the appointing director and the date, among other details.

If appointing another director to sign a written confirmation opinion on behalf of the appointing director regarding periodic reports, specific authorization for this purpose shall be included in the proxy form.

The proxy form may be prepared in a standard format by the office of the board and delivered to directors together with the meeting notice.

The proxy director shall submit the written proxy form and indicate the circumstance of attending as a proxy in the meeting attendance record.

Directors shall not issue or accept proxies without specified voting intentions, general proxies, or proxies with unclear authorization scopes. A director’s responsibility for voting matters shall not be exempted due to appointing another director to attend on their behalf.

A director attending as a proxy shall exercise the rights of a director within the authorized scope. If a director does not attend a specific board meeting and does not appoint a proxy to attend, it shall be deemed that the director has waived their voting right at that meeting.

If any director fails to attend in person or appoint other directors as his/her representative to attend board meetings for two consecutive times, such director shall be deemed to have failed to perform his duties, and the board of directors shall propose to replace such director at the shareholders' meeting.

**Article 3332** The appointment of a proxy to attend a board meeting and the act of serving as such a proxy shall adhere to the following principles:

- (1) When deliberating on connected transactions, uninterested directors shall not appoint interested directors as their proxies; likewise, interested directors shall not accept appointments as proxies from uninterested directors;
- (2) A director shall not grant a general proxy to another director to attend on their behalf without stating their personal opinion and voting intention on the proposals. Correspondingly, a director shall not accept a general proxy or a proxy with unclear authorization;
- (3) A single director shall not accept proxy appointments from more than two other directors. Furthermore, a director shall not appoint as their proxy a director who has already accepted proxy appointments from two other directors.

**Article 3433** A board meeting shall be held only when more than half of the directors (including directors attending as proxies in accordance with the Company's Articles of Association) are present. Each director shall have one vote. Resolutions of the board must be passed by a simple majority of all directors.

~~Supervisors may attend board meetings.~~ If the general manager does not concurrently serve as a director, they shall attend the board meeting as a non-voting participant. The chairperson of the meeting may notify other relevant personnel to attend as non-voting participants if deemed necessary.

**Article 3534** If a director has a material interest in a matter to be considered for resolution by the board of directors, the board meeting regarding that matter shall be held only when more than half of the directors who have no material interest in the said matter are present.

**Article 3635** board meetings may be convened in the form of on-site meetings, telephone conferences, video conferences, voting by fax or email, or by written resolution by circulation.

If a board meeting is held by telephone or video conference, measures shall be taken to ensure that participating directors can clearly hear the statements of other directors and engage in mutual communication. Meetings conducted in this manner shall be recorded (audio or video). If a director is unable to sign the meeting minutes immediately during such a meeting, an oral vote shall be taken, and written signature procedures shall be completed as soon as possible thereafter. A director's oral vote shall have the same effect as a written signature, provided that the subsequent written signature must be consistent with the oral vote expressed during the meeting. In case of any inconsistency between the written signature and the oral vote, the oral vote shall prevail.

If a board meeting is held by means of a written resolution by circulation (i.e., resolutions on proposals are made through separate review and approval or review by circulation), each director or their appointed proxy shall indicate their agreement or objection on the resolution. Once the number of directors who have signed in agreement reaches the quorum required by these Rules for passing a resolution, the content of the said proposal shall become a resolution of the board of directors.

**Article 3736** Board meetings shall be convened and presided over by the chairman. If the chairman is unable or fails to perform such duties, a director shall be jointly recommended by more than half of the directors to convene and preside over the meeting.

**Article 3837** The meeting chairperson shall request directors attending the board meeting to express clear opinions on each proposal.

If a director disrupts the normal conduct of the meeting or affects the speaking of other directors, the meeting chairperson shall promptly intervene to stop such behavior.

Unless unanimous consent is obtained from all attending directors, the board meeting shall not vote on proposals not included in the meeting notice. A director attending the board meeting as a proxy for another director shall not vote on behalf of other directors for proposals not included in the meeting notice.

**Article 3938** The office of the board shall be responsible for the preparation for board meetings, including the collection and organization of meeting topics, the formulation of the agenda, the issuance of meeting notices, and other related tasks.

**Chapter V Proposals of the Board of directors**

**Article 4039** Proposals of the board of directors refer to specific plans submitted for matters requiring consideration by the board of directors.

**Article 4140** Directors of the Company, the Company's ~~the board of supervisors~~ Audit Committee, and the general manager may submit proposals to the board of directors. Proposals requiring discussion and decision by the board of directors shall be submitted in advance to the office of the board. The office of the board shall collect, categorize, and organize these proposals before submitting them to the chairman for review. The chairman shall decide whether to include a proposal on the agenda. In principle, all proposals should be included on the agenda. For proposals not included on the agenda, the chairman shall explain the reasons in writing to the proposer. If the proposer objects to this, the proposer has the right to request the board of directors to deliberate on whether the proposal should be included on the meeting agenda. The content of the proposals shall be delivered together with the meeting notice to all directors and relevant persons required to attend the meeting.

**Article 4241** Each proposal deliberated by the board of directors shall be presented by the proposer or a person designated by the chairman, explaining the main content, background, and relevant circumstances of the topic. For major investment projects, relevant professionals must be engaged in advance to evaluate the project and submit an expert-reviewed feasibility study report to facilitate consideration by all directors and prevent decision-making errors.

**Article 4342** Proposals submitted to the board of directors shall meet the following conditions:

- (1) The content shall not contravene laws, regulations, the Company's Articles of Association, the Hong Kong Listing Rules, or other securities regulatory rules of the place where the Company's shares are listed, and shall fall within the scope of the Board's responsibilities;
- (2) The proposal must align with the interests of the Company and its shareholders;
- (3) It shall have a clear topic and specific matters for resolution;
- (4) It shall be submitted to the board of directors in written form.

**Article 4443** The proposer of a board meeting shall be responsible for drafting and confirming the content of the proposed matter, and shall bear responsibility for the truthfulness, accuracy, and completeness of both the proposal content and the materials attached thereto.

**Article 4544** The receipt and review of meeting proposals and their attached materials shall be the responsibility of the office of the board. Proposals reviewed by the office of the board may be submitted for discussion and consideration at the board meeting.



**Article 4645** The office of the board shall, in compliance with national laws and regulations, the Hong Kong Listing Rules, and other relevant securities regulatory rules of the place where the Company's shares are listed, act in accordance with the principle of serving the best interests of shareholders and the Company, and review proposals based on the following principles:

- (1) **Relevance.** Proposals concerning matters directly related to the Company and within the scope of authority of the board of directors as stipulated by laws, regulations, the Company's Articles of Association, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed shall be submitted for discussion by the board of directors. Proposals that do not meet the above requirements shall not be submitted for discussion by the Board;
- (2) **Procedural.** The office of the board may make decisions on procedural issues related to proposals. If a proposal is to be split or combined for voting, the consent of the proposer must be obtained;
- (3) **Normative.** The office of the board may modify the wording and format of proposals to align with the standards of meeting documents, provided that such modifications do not contradict the original intent of the proposals.

**Article 4746** Proposals involving investments, asset disposals, and mergers and acquisitions shall provide full details of the matter, including: the amount involved, price (or pricing method), book value of the assets, impact on the Company, approval status, etc.

#### **Chapter VI Decision-Making Procedures of the board of directors**

**Article 4847** Investment Decision-Making Procedure: The board of directors authorizes the general manager to organize relevant personnel to formulate the Company's medium- and long-term development plans, annual investment plans, and project investment proposals, and submit them to the board of directors. The chairman presides over the deliberation and prepares a deliberation report. Based on the deliberation report, the board of directors decides on the proposals. Those requiring approval by the shareholders' meeting shall be submitted for approval. Once approved, the proposals shall be implemented by the general manager.

**Article 4948** Personnel Appointment and Removal Procedure: Based on nominations for personnel appointments and removals proposed by the board of directors and the general manager within their respective scopes of authority, the Company's board of directors discusses and makes resolutions. The chairman then issues letters of appointment and dismissal documents.

**Article 5049** Procedures for Financial Budget/Final Accounts, Profit Distribution, and Related Work: The board of directors authorizes the general manager to organize relevant personnel to formulate the Company's annual financial budget and final accounts, profit distribution plans, loss recovery plans, and other related proposals, and submit them to the board of directors. The chairman presides over the deliberation and prepares an evaluation report. Based on the deliberation report, the board of directors formulates the relevant plans, which are then submitted to the shareholders' meeting for deliberation and approval. Once approved, the plans shall be implemented by the general manager.

## **Chapter VII Resolutions of the Board of Directors**

**Article 5150** directors shall diligently review the relevant meeting materials and express their opinions independently and prudently based on a full understanding of the circumstances.

Directors may, prior to the meeting, seek information necessary for decision-making from the office of the board, the meeting convener, the general manager, the accounting firm, the law firm, and other relevant personnel and institutions. They may also suggest to the meeting chairperson to invite representatives from the aforementioned personnel or institutions to attend the meeting and provide explanations regarding relevant matters.

**Article 5251** Board meetings may conduct voting by a show of hands or by roll-call vote. Each director holds one vote.

A director's voting intention shall be categorized as "agree," "oppose," or "abstain." Attending directors shall choose one of the above intentions. If a director fails to make a choice or selects more than one intention, the meeting chairperson shall request the relevant director to choose again. If the director refuses to choose, it shall be deemed an abstention. If a director leaves the meeting venue midway and does not return to make a choice, it shall also be deemed an abstention.

When the number of opposing votes equals the number of affirmative votes, the matter shall be submitted to the shareholders' meeting for consideration.

**Article 5352** Board meetings shall fully uphold democratic principles, respect the opinion of each director, and allow directors to retain dissenting opinions when a decision is made. Directors who retain dissenting opinions or hold opposing views shall comply with and execute the lawful decisions made by the board of directors. They shall not resist or act according to personal preferences during the execution of such decisions; otherwise, the board of directors may propose to the shareholders' meeting to remove them from the director position.

**Article 5453** After attending directors have completed their voting, the relevant staff of the office of the board shall promptly collect the directors' ballots and submit them to the office of the board for tallying ~~under the supervision of a supervisor.~~

For meetings convened on-site, after attending directors have completed their voting, the meeting chairperson shall announce the tally results on the spot. In other circumstances, the meeting chairperson shall request the office of the board to notify directors of the voting results before the next business day following the end of the specified voting period.

If a director votes after the meeting chairperson has announced the tally results or after the specified voting period has ended, their votes shall not be counted.

**Article 5554** Resolutions of the board of directors shall be made in written form with signatures.

**Article 5655** Other non-voting participants attending the meeting, besides directors, have the right to speak but no voting rights. Before making a decision, the board of directors shall fully consider the opinions of the non-voting participants.

**Article 5756** The board of directors shall act strictly within the authority granted by the shareholders' meeting and the Company's Articles of Association and shall not exceed such authority when forming resolutions.

**Article 5857** Where a board meeting requires a resolution on the Company's profit distribution, the proposed distribution plan to be submitted to the Board for consideration may be notified in advance to the certified public accountant, who shall be requested to issue a draft audit report based thereon (with all other financial data unrelated to the distribution already finalized). After the board of directors passes the distribution resolution, the certified public accountant shall be requested to issue a formal audit report. The board of directors shall then, based on the formal audit report issued by the certified public accountant, adopt resolutions on other relevant matters of the periodic report.

**Article 5958** If a proposal is not passed, the meeting shall not deliberate on a proposal with identical content within one month, unless there have been significant changes in the relevant conditions and factors.

**Article 6059** Directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates laws, administrative regulations, the Hong Kong Listing Rules or other securities regulatory rules of the place where the Company's shares are listed, the Company's Articles of Association, or resolutions of the shareholders' meeting, thereby causing substantial losses to the Company, the directors who participated in the resolution and clearly expressed agreement or abstained shall be liable for compensation to the Company. A director may be exempted from liability if it can be proven that they expressed an objection during the voting and such objection is recorded in the meeting minutes. A director who neither attends the meeting in person nor appoints a proxy to attend shall be deemed not to have expressed an objection and shall not be exempted from liability.

**Article 6160** If the content of a resolution of the Company's board of directors violates laws or administrative regulations, shareholders shall have the right to request a People's Court to declare it null and void.

If the procedures for convening a board meeting or the voting methods violate laws, administrative regulations, or the Company's Articles of Association, or if the content of a resolution violates the Company's Articles of Association, shareholders may, within 60 days from the date the resolution is made, request a People's Court to revoke it.

If a shareholder files a lawsuit in accordance with the preceding paragraph, the Company may request the People's Court to require the shareholder to provide corresponding security.

If the Company has completed a change of registration based on a Board resolution, and the People's Court subsequently declares the resolution invalid or revokes it, the Company shall apply to the corporate registry to cancel the change of registration.

### **Chapter VIII Director Recusal and Voting in Connected Transactions**

**Article 6261** A director who is associated with an enterprise or an individual involved in a resolution of a board meeting shall report in writing to the board of directors in a timely manner. A director who has an associated relationship shall not exercise his/her voting rights on the resolution, nor shall he/she exercise his/her voting rights on behalf of other directors, and his/her voting rights shall not be counted as part of his/her total number of voting rights. The relevant meeting of the board of directors may be held when more than half of the uninterested directors attend the meeting, and the resolutions made by the meeting of the board of directors shall be passed by more than half of the uninterested directors. If the number of uninterested directors attending the board meeting is less than 3, the matter shall be submitted to the shareholders' meeting of the Company for consideration.

**Chapter IX Minutes of Board Meetings**

**Article 6362** The office of the board shall assign its staff to keep detailed minutes of board meetings. The minutes shall include the following contents:

- (1) the date and venue of the meeting, and the name of the convener;
- (2) the names of the directors attending the board meeting and directors (proxies) appointed by others to attend the board meeting;
- (3) the agenda of the meeting;
- (4) the main points of directors' speeches;
- (5) the method and results of the voting for each proposal (the voting results shall state the number of affirmative and negative votes and number of abstention); and
- (6) Other contents stipulated by laws, administrative regulations, departmental rules or normative legal documents, the Hong Kong Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

**Article 6463** Directors attending the meeting and the minute-taker shall sign the meeting minutes. Directors present at the meeting have the right to request explanatory notes in the minutes regarding their statements during the meeting.

The office of the board shall promptly compile the meeting minutes after the board meeting concludes and distribute the draft minutes to all directors who attended the meeting. If any director has amendments, they shall provide feedback within 3 days of receiving the draft minutes. Failure to provide feedback within this period shall be deemed as having no amendments. The office of the board shall, within 3 days after synthesizing all feedback from directors, distribute the final version of the minutes to all directors for signature confirmation.

**Article 6564** Attending directors shall sign the meeting minutes and resolutions to confirm them on behalf of themselves and any directors they represent at the meeting. If a director has differing opinions regarding the meeting minutes or resolutions, they may provide a written explanation at the time of signing.

If a director neither signs for confirmation in accordance with the preceding paragraph nor provides a written explanation of their differing opinions, they shall be deemed to fully agree with the content of the meeting minutes and resolutions.

**Article 6665** The archival records of board meetings, including meeting notices and materials, attendance registers, proxy authorization letters for directors attending on behalf of others, meeting audio recordings, ballot papers, meeting minutes signed and confirmed by attending directors, meeting resolutions, and resolution announcements, shall be kept by the office of the board.

The retention period for board meeting archives shall be 10 years.

#### **Chapter X Implementation and Feedback of Board Resolutions**

**Article 6766** Resolutions of the board of directors shall be implemented by the board itself or supervised for execution by senior management officers.

**Article 6867** During the implementation process of resolutions of the board of directors, the chairman shall track and inspect the progress of their execution. If any violation of the resolutions is discovered during inspection, the chairman may request and urge the general manager to make corrections. If the general manager does not accept such advice, the chairman may propose the convening of an extraordinary board meeting to adopt a resolution requiring the general manager to make corrections.

**Article 6968** The chairman shall report on the implementation status of previously adopted resolutions at the next board meeting.

#### **Chapter XI Supplementary Provisions**

**Article 7069** Unless otherwise specified, the terms used in these Rules shall have the same meanings as those defined in the Company's Articles of Association.

**Article 7170** Unless otherwise provided in these Rules and unless the context is unambiguous, the terms "above," "at least," and "before" used in these Rules shall include the number itself; while "more than," "less than," "insufficient," "other than," and "lower than" shall not include the number itself.

**Article 7271** For matters not covered herein, or in case of any conflict between these Rules and the laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Company's Articles of Association promulgated or amended after the effectiveness of these Rules, the provisions of such laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules, or the Company's Articles of Association shall prevail.

**Article 7372** Any amendments to these Rules shall be proposed by the board of directors in the form of a revised draft and submitted to the shareholders' meeting for consideration and approval.

**Article 7473** The board of directors of the Company shall be responsible for the interpretation of these Rules.

**Article 7574** These Rules shall become effective ~~since the Company's initial public offering of H shares and listing on The Stock Exchange of Hong Kong Limited~~ upon consideration and approval by the shareholders' meeting.

*Particulars of the retiring Directors entitled to offer themselves for re-election at the EGM are set out below:*

**MR. ZHOU YANG**

Mr. Zhou Yang (周洋), aged 48, one of the co-founders of our Company, was appointed as a Director on July 20, 2019 and re-designated as our executive Director on July 27, 2024. Mr. Zhou is also Chairman of our Board. He is responsible for overseeing corporate governance and our Company's strategic position, safeguarding the interests of the Shareholders, managing the senior management, engaging in business development on behalf of our Group and overseeing our Board. He is also a core technical personnel of our Company, and is responsible for the strategic planning of technological initiatives, oversight of R&D, quality assurance, improving internal processes, driving advancement in and enhancement of efficiencies and competitiveness of our technologies. Mr. Zhou is also a director of ContiOcean Environment Tech Co., Limited and AMS ContiOcean Partners Limited.

Mr. Zhou has over 22 years of experience in the shipbuilding industry and heavy industry. Prior to joining our Group, from September 2001 to February 2005, he worked as a quality personnel at Shanghai Waigaoqiao Shipbuilding Co., Ltd. (上海外高橋造船有限公司), a company principally engaged in the design and construction of civilian ships, marine constructions, ship equipment, where he was primarily responsible for maintaining the quality assurance system, product quality assurance, overseeing the manufacturing process, driving continuous improvement in overall product quality. From March 2005 to February 2006, he worked as a ship surveyor for Bureau Veritas Marine (China) Co., Ltd., a company principally engaged in the classification of shipbuilding and marine engineering projects, statutory inspections, certification of safety and quality management systems, inspection and certification of shipbuilding materials and equipment, and providing comprehensive technical support for shipbuilding and marine engineering projects, where he was primarily responsible for conducting ship surveys to ensure compliance with safety and environmental standards, supervising engineering projects, on-voyage inspections and providing recommendations for improvement. From April 2006 to August 2018, he worked as an assistant president at Jiangsu Rongsheng Heavy Industry Co., Ltd. (江蘇熔盛重工有限公司), a company principally engaged in the manufacturing of equipment for shipbuilding and marine engineering, where he was primarily responsible for quality control, painting and dock assembly work.

Mr. Zhou was also appointed as a representative at the 18th People's Congress of Rugao City (如皋市第十八屆人民代表大會) in 2022.

Mr. Zhou received a bachelor's degree in ship engineering from Dalian Ocean University (大連海洋大學) in Dalian in July 2001. He also holds a qualification of senior engineer issued by the Jiangsu Bureau of the Ministry of Human Resources and Social Security (江蘇省人力資源社會保障局) since December 2012.



**MR. ZHAO MINGZHU**

Mr. Zhao Mingzhu (趙明珠), aged 46, one of the co-founders of our Company, was appointed as a Director on July 20, 2019 and re-designated as our executive Director on July 27, 2024. Mr. Zhao is also the chief executive officer of our Company.

Mr. Zhao joined our Company on September 6, 2017 and became the financial person-in-charge of our Company in October 2017 and was primarily responsible for the global marketing and sales of our Company's products and global customer relationship management. Since December 2022, he has been responsible for overseeing the overall operations and management, setting and taking the lead in executing strategic goals, facilitating profit growth, optimizing resource allocation, coordinating internal and external relations, and promoting the development of our Company. He also holds directorships in various subsidiaries of our Company, including ContiOcean Environment Tech Co., Limited, CTL, Wavelength Technology Center, LDA, ContiOcean International Development Co., Ltd., CO Pioneer, AMS ContiOcean Partners Limited and ContiOcean Tankers, and is a supervisor of ContiOcean (Nantong) Environment Industrial Holdings Co., Ltd.

Mr. Zhao has over 20 years of experience in the shipping and shipbuilding industries. Prior to joining our Group, from July 2003 to June 2004, he worked as a technician at Dalian COSCO Shipping Engineering Co., Ltd. (大連中遠船務工程有限公司), a company principally engaged in the sales of equipment and spare parts for ship and marine engineering, and mechanical and electrical equipment, where he was primarily responsible for project planning. From June 2004 to March 2010, he worked as a manager at Zhoushan COSCO Shipping Engineering Co., Ltd. (舟山中遠船務工程有限公司), a company principally engaged in the sales of equipment and spare parts for ship and marine engineering, as well as mechanical and electrical equipment, where he was primarily responsible for overseeing the projects undertaken by the shipyard and the day-to-day affairs of the operations department. From March 2010 to January 2017, he worked as a manager of the operations department at COSCO Shipping Heavy Industry Co., Ltd. (中遠海運重工有限公司), a company principally engaged in the sales of equipment and spare parts for ship and marine engineering, and mechanical and electrical equipment, where he was primarily responsible for overseeing the company's ship repair and refit business, marketing and sales, and customer relationship management.

Mr. Zhao received a bachelor's degree in ship and marine engineering from Dalian University of Technology (大連理工大學) in Dalian in July 2003.

**MR. CHEN ZHIYUAN**

Mr. Chen Zhiyuan (陳志遠), aged 43, one of the co-founders of our Company, was appointed as a Director on July 20, 2019 and re-designated as our executive Director on July 27, 2024. Mr. Chen is also the chief technology officer of our Company. Mr. Chen joined our Company on May 10, 2018 as the chief technology officer of our Company. He is responsible for leading R&D initiatives, enhancing the technology embedded in our products, solving key technical challenges, facilitating progress in our projects, leading the technical team, cultivating technical talents, and ensuring competitiveness of our technologies. He is also the general manager of ContiOcean (Nantong) Environment Industrial Holdings Co., Ltd.

Additionally, he is a director of each of ContiOcean Environment Tech Co., Limited and ContiOcean Pte. Ltd., and a supervisor of ContiOcean International Development Co., Ltd., all of which are subsidiaries of our Company.

Mr. Chen has approximately 20 years of experience in the shipping and shipbuilding industries. Prior to joining our Group, from October 2004 to March 2006, he worked as an assistant project manager at China Navigation Co Pte. Ltd (太古輪船有限公司), a company under Swire Pacific Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock codes: 19 (A-shares) and 87 (B-shares)) and principally engaged in shipping services and ship management, where he was primarily responsible for assisting the project manager in project planning, progress tracking, resource coordination, document management, internal and external communication, and risk monitoring to support the smooth implementation and delivery of projects. From May 2006 to September 2008, he worked as a superintendent engineer at Man B&W Diesel (Shanghai) Co., Ltd (曼恩柴油機有限公司(上海)), a company principally engaged in diesel engine and fuel engine manufacturing, where he was primarily responsible for the maintenance, fault diagnosis, regular inspection, and updating maintenance logs for vessels or mechanical equipment, to ensure the safety of equipment and fulfillment of industry standards and regulatory requirements. From November 2008 to May 2018, Mr. Chen rejoined China Navigation Co Pte. Ltd as a newbuilding and projects manager, where he was primarily responsible for overall project planning, schedule control, budget management, team coordination and customer communication to ensure the timing and quality completion projects.

Mr. Chen received a bachelor's degree in engineering from Dalian Ocean University (大連海洋大學) in Dalian in July 2001. He also received a master of science in marine technology from Newcastle University the United Kingdom in December 2005.

#### **MR. SHU WA TUNG, LAURENCE**

Mr. Shu Wa Tung, Laurence (舒華東), aged 53, has been the chief financial officer of our Company since September 2020. He was appointed as a Director on December 20, 2022 and redesignated as our executive Director on July 27, 2024. He was also appointed as the company secretary of our Company on July 10, 2024. He is responsible for formulating our Company's financial strategies, capital management, budgeting, financial reporting, risk control and tax planning to ensure our Company's financial health and compliance with relevant regulations. He is also the chief financial officer of ContiOcean Environment Tech Co., Limited and Wavelength Technology Center, LDA, both of which are subsidiaries of our Company. He discharges these duties with the support of our senior management, as well as other staff of the Company for daily management.

Mr. Shu has over 30 years of experience in audit, corporate finance and financial management. He was an independent non-executive Director of Chengdu Expressway Co., Ltd. (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 1785) from November 2016 to September 2022, Riverine China Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 1417) since November 2017, Twintek Investment Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 6182) since December 2017, Goldstream Investment

Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 1328) since December 2019; Zero Fintech Group Limited (formerly known as Termbray Industries International (Holdings) Limited) (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 00093) since April 2022, and Texhong International Group Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 2678) (“**Texhong**”) since May 2023.

Mr. Shu started as a staff accountant at Deloitte Touche Tohmatsu from March 1994 and left the same group in October 2000, and became a manager at Deloitte & Touche Corporate Finance Co. Ltd (a corporate finance service company of Deloitte Touche Tohmatsu) from July 2001 to November 2002. Mr. Shu was an associate director of Piper Jaffray Asia Limited (formerly known as Goldbond Capital (Asia) Limited) from November 2002 to April 2005. Mr. Shu was the chief financial officer and the company secretary of Texhong from May 2005 to July 2008. He served as the chief financial officer of Rongsheng Heavy Industries Holding Co., Ltd (熔盛重工控股有限公司) from July 2008 to June 2010, the chief financial officer of Petro-king Oilfield Services Limited (formerly known as Termbray Petroking Oilfield Services Limited) (a company listed on the Main Board of the Stock Exchange, stock code: 2178) from July 2010 to July 2018, and the chief financial officer of Brainhole Technology Limited (formerly known as Top Dynamic International Holdings Limited) (a company listed on the Main Board of the Stock Exchange, stock code: 2203) from August 2018 to November 2019.

Mr. Shu graduated from Deakin University in Australia, in September 1994 and obtained his bachelor’s degree in accounting, and completed his CFO Programme at China Europe International Business School (中歐國際工商學院) in November 2009. He also received an executive Master of Business Administration degree from Washington University in St. Louis in the United States in May 2022. Mr. Shu was accredited as a certified public accountant associate by Hong Kong Institute of Certified Public Accountants in September 1997. Mr. Shu was admitted as a member to the Hong Kong Independent Non-executive Director Association in May 2019.

#### **MR. CHEN RUI**

Mr. Chen Rui (陳睿), aged 46, was appointed as a Director on December 20, 2022 and redesignated as our executive Director on July 27, 2024. He has also been the secretary to our Board since January 6, 2020. He is responsible for organizing meetings of the Board and meetings of the Shareholders, corporate documentation, coordinating internal and external communications, corporate governance and compliance, information disclosure, and maintaining investor relations. He is also a senior engineer of our Company responsible for leading complex engineering projects, research and development, resolving technical hurdles, coaching intermediate and junior engineers, improving the technical expertise of our engineer team, and ensuring the quality of completed projects. He is also an executive director of Alfaback Automation.

Mr. Chen has over 22 years of experience in the shipbuilding industry. Prior to joining our Group, from August 2001 to June 2005 he worked at Shanghai Waigaoqiao Shipbuilding Co., Ltd. (上海外高橋造船有限公司), a company principally engaged in the design and construction of civilian ships, marine construction and ship equipment, where he was primarily responsible for planning and executing shipbuilding projects. From June 2005 to March 2006, he worked for Shanghai Wangdong Electrical Equipment Co., Ltd. (上海旺東電氣設備有限公司), a company principally engaged in distributing bearing, where he was primarily responsible for providing technical support. From April 2006 to September 2018, he worked as a head of planning management at Jiangsu Rongsheng Heavy Industries Co., Ltd. (江蘇熔盛重工有限公司), where he was primarily responsible for planning and management of shipbuilding projects.

Mr. Chen was also recognized as one of the Top Ten Outstanding Youths of Rugao City (如皋市十大傑出青年) in May 2009.

Mr. Chen received a bachelor's degree in engineering from Shenyang University of Technology (瀋陽工業大學) in Shenyang in June 2001. He also received a master's degree in engineering from Shanghai Jiao Tong University (上海交通大學) in Shanghai in September 2013. He also obtained a qualification of senior engineer issued by the Jiangsu Bureau of the Ministry of Human Resources and Social Security (江蘇省人力資源社會保障局) in December 2014.

#### **DR. GUAN YANMIN**

Dr. Guan Yanmin (管延敏), aged 42, was appointed as an independent non-executive Director on July 27, 2024, with effect from 9 January 2025. Dr. Guan is responsible for providing oversight of the Board and independent advice on the operation and management of our Group. From March 2012 to June 2016, Dr. Guan was the deputy director of the ship design institute of Jiangsu Rongsheng Heavy Industries Co., Ltd. (江蘇熔盛重工有限公司). He has been a lecturer at the School of Naval Architecture and Ocean Engineering of Jiangsu University of Science and Technology (江蘇科技大學) since November 2016. Dr. Guan received a bachelor's degree in ship and marine engineering in June 2007 and a doctor of philosophy in the design and manufacture of ships and marine structures in June 2011, both from Huazhong University of Science and Technology (華中科技大學) in Wuhan. He also obtained a qualification of senior engineer issued by the Jiangsu Bureau of the Ministry of Human Resources and Social Security (江蘇省人力資源社會保障局) in December 2015.

#### **MR. ZHU RONGYUAN**

Mr. Zhu Rongyuan (朱榮元), aged 45, was appointed as an independent non-executive Director on July 27, 2024, with effect from 9 January 2025. Mr. Zhu is responsible for providing oversight of the Board and independent advice on the operation and management of our Group.

Mr. Zhu has over 21 years of experience in accounting, finance, and corporate governance. From September 2002 to November 2004, he was an auditor of Ernst & Young Dahua Certified Public Accountants (Special General Partnership) (安永大華會計師事務所). From December 2004 to May 2011, he was a senior manager of BDO China Shu Lun Pan

Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)). From June 2011 to December 2014, he was a salary partner of Dahua Certified Public Accountants (Special General Partnership) (大華會計師事務所(特殊普通合夥)).

From November 2014 to June 2016, Mr. Zhu served as a board secretary and an assistant to general manager at OTEC Technology (SHANGHAI) Co., Ltd. (上海澳潤信息科技有限公司). From July 2017 to September 2019, he served as a board secretary at Shanghai Golden Education Technology Co., Ltd. (上海高頓教育科技有限公司). Since April 2020, he has served as a director, secretary to the board, and chief financial officer at Bestudy (Shanghai) Medical Technology Co., Ltd. (百試達(上海)醫藥科技股份有限公司).

Mr. Zhu received a bachelor's degree in management, majoring in accounting, from Shanghai University of Finance and Economics (上海財經大學) in Shanghai in July 2002. Mr. Zhu was accredited as a certified public accountant by the Chinese Institute of Certified Public Accountants in October 2016.

#### **MS. NG SIN KIU**

Ms. Ng Sin Kiu (吳先僑), aged 52, was appointed as an independent non-executive Director on July 27, 2024, with effect from 9 January 2025. Ms. Ng is responsible for providing oversight of the Board and independent advice on the operation and management of our Group.

Ms. Ng has over 20 years of experience in legal practice and, in particular, substantial experience in corporate finance matters, and has advised on a broad spectrum of matters, including initial public offerings, secondary equity and equity-linked offerings, mergers and acquisitions, transactional and compliance matters, and other commercial matters. She has been a partner of Watson Farley & Williams LLP since December 2015. From August 1998 to March 1999, Ms. Ng last served as an assistant solicitor at Chiu & Partners. From April 1999 to August 1999, she was an assistant solicitor at Siao, Wen & Leung. From August 1999 to February 2000, she was an assistant solicitor at Pun & Associates. From February 2000 to April 2001, she was an assistant solicitor at Gallant Y. T. Ho & Co. (now known as Gallant). From May 2001 to December 2007, she was an assistant solicitor at Sidley Austin. From January 2008 to October 2008, she was an assistant solicitor at Paul Hastings. From October 2008 to December 2009, she was an assistant solicitor at Sidley Austin. From January 2010 to March 2012, Ms. Ng was a consultant at Sidley Austin. From April 2012 to December 2015, she was a partner of Squire Patton Boggs.

Ms. Ng has served as an independent non-executive director of Palasino Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 2536 and principally engaged in gaming and leisure business) since March 2024, Zhongmiao Holdings (Qingdao) Co., Ltd. (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 1471 and principally engaged in the insurance business) since August 2024, and Perfect Group International Holdings Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 3326 and principally engaged in the jewellery, property, and photovoltaic power generation businesses) since September 2024 and resigned on November 2025.

Ms. Ng obtained her Bachelor of Laws degree and Postgraduate Certificate in Laws from The University of Hong Kong in November 1995 and in June 1996, respectively. She was awarded a Master of Laws degree from The University of Hong Kong in December 1999. Ms. Ng was qualified as a solicitor in Hong Kong and England and Wales in August 1998 and March 1999, respectively, as well as a lawyer of the Greater Bay Area in May 2023.

Ms. Ng was a director of Gain Pacific Investment Limited (裕國投資有限公司), a company incorporated in Hong Kong with limited liability and dissolved by way of striking off on May 8, 2020. The company had no business prior to its dissolution and was dissolved because of failure to pay annual registration fee. Ms. Ng confirmed that she has not been involved in any dispute with such company's creditors, shareholders and directors in respect of the dissolution, that such company has been dissolved with no outstanding liability or claim in relation thereto, had no material non-compliances or litigations before the dissolution and was solvent at the time of dissolution, that the dissolution of such company had not resulted in any liability or obligation being imposed against her, that her involvement in such company was in relation to her appointment as a director of such company and that no misconduct or misfeasance on her part had been involved in the dissolution.



## NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING



### 上海匯舸環保科技集團股份有限公司 CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2613)**

## NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2026 first extraordinary general meeting (the “EGM”) of ContiOcean Environment Tech Group Co., Ltd. (the “**Company**”) will be held at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on Tuesday, 6 January 2026 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 15 December 2025.

#### **Special resolutions**

1. To consider and approve the proposed amendments to the Articles of Association and abolition of Supervisory Committee.
2. To consider and approve the acquisition of the Vessels.

#### **Ordinary resolutions**

3. To consider and approve the appointment of Fan, Chan & Co. as the new auditor of the Company to hold office until the conclusion of the forthcoming annual general meeting of the Company and to authorize the Board to fix the remuneration of Fan, Chan & Co.
4. To consider and approve:
  - (a) the proposed amendments to the Rules of Procedure for the General Meeting; and
  - (b) the proposed amendments to the Rules of Procedure for the Board.
5. To consider and approve:
  - (a) the re-election of Mr. Zhou Yang as an executive director;
  - (b) the re-election of Mr. Zhao Mingzhu as an executive director;
  - (c) the re-election of Mr. Chen Zhiyuan as an executive director;

## NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING

- (d) the re-election of Mr. Shu Wa Tung, Laurence as an executive director;
  - (e) the re-election of Mr. Chen Rui as an executive director;
  - (f) the re-election of Dr. Guan Yanmin as an independent non-executive director;
  - (g) the re-election of Mr. Zhu Rongyuan as an independent non-executive director;  
and
  - (h) the re-election of Ms. Ng Sin Kiu as an independent non-executive director.
6. To consider and approve the remuneration scheme for the second session of the Board of Directors.
7. To consider and approve the provision of related-party guarantees by the Company to wholly-owned subsidiaries for the acquisition of the Vessels.

By Order of the Board  
**ContiOcean Environment Tech Group Co., Ltd.**  
**Zhou Yang**  
*Chairman*

Shanghai, PRC, 15 December 2025

*Notes:*

- (i) Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (ii) Pursuant to the Listing Rules, all votes of resolutions at the EGM will be taken by poll except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the voting results will be published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.contioceangroup.com](http://www.contioceangroup.com)) in accordance with the Listing Rules.
- (iii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney duly authorized.
- (iv) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. 5 January 2026 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be).
- (v) Completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (vi) Where there are joint registered holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the Shares shall alone be entitled to vote in respect thereof.



## **NOTICE OF THE 2026 FIRST EXTRAORDINARY GENERAL MEETING**

- (vii) For the purpose of determining the H Shareholders of the Company entitled to attend and vote at the EGM, the register of members of H Shares will be closed from 31 December 2025 to 6 January 2026 (both days inclusive). The record date for determining the entitlement of the Shareholders to attend and vote at the EGM will be 6 January 2026. In order to qualify for the entitlement to attend and vote at the above EGM, the H Shareholders must lodge all transfer forms accompanied by the relevant H Share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 30 December 2025.
- (viii) The EGM is expected to take less than half a day. Shareholders who attend the EGM shall be responsible for their own travel and food and accommodation expenses. Shareholders (or their proxies) attending the meeting shall produce their identity documents.
- (ix) All times refer to Hong Kong local time, except as otherwise stated.