

NINGBO JOYSON ELECTRONIC CORP.

Articles of Association

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CHAPTER I GENERAL PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

On July 31, 2025, the Company cancelled 13,030,980 repurchased shares.

On September 29, 2025, upon filing with the CSRC, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) on November 6, 2025, issuing 155,100,000 H Shares in Hong Kong.

Article 4 Registered Name of the Company

Chinese full name: 寧波均勝電子股份有限公司

English full name: NINGBO JOYSON ELECTRONIC CORP.

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

Article 6 The registered capital of the Company is RMB1,550,770,563.

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

Article 8 The director who represents the Company to execute affairs of the Company shall serve as the legal representative of the Company. The Chairman of the Board of Directors serves as a director representing the Company to execute corporate affairs.

Where the director serving as the legal representative resigns, he/she shall be deemed to have resigned from the position of the legal representative at the same time.

Where the legal representative resigns, the Company shall appoint a new legal representative within 30 days after the date of his/her resignation.

Article 9 The Company shall bear the legal consequences arising from the civil activities conducted by the legal representative in the name of the Company.

Any restrictions on the functions and powers of the legal representative imposed by the Articles or the shareholders' meeting shall not be asserted against a bona fide third party.

Where the legal representative causes damage to others while performing his/her duties, the Company shall assume the civil liability. After assuming the civil liability, the Company may, in accordance with the provisions of law or the Articles, claim indemnification against the legal representative who is at fault.

Article 10 Shareholders shall be liable to the Company to the extent of the shares they subscribe, and the Company shall be liable for its debts with all of its properties.

Article 11 The Articles, upon taking effect, shall become a legally binding document that governs the organization and activities of the Company, and the rights and obligations between the Company and its shareholders, and among the shareholders themselves, legally binding on the Company, its shareholders, directors and senior management personnel.

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

Article 12 For the purposes of the Articles, "senior management personnel" refers to the General Manager (President), Deputy General Managers (Vice Presidents), Person in Charge of Finance (Chief Financial Officer) of the Company, and the Secretary to the Board of Directors.

CHAPTER II BUSINESS PURPOSE AND SCOPE OF THE COMPANY

Article 13 The business purpose of the Company is: to comply with national laws, administrative regulations and policies, to make full use of its capital, human and material resources, to engage in commodity production and business operations with the direct aim of making a profit, to accumulate capital for the Company, and to seek the maximum legitimate interests for the Company and its shareholders.

Article 14 Upon registration in accordance with the laws, the business scope of the Company is: design, manufacturing, and processing of electronic products, electronic components, automotive electronic devices (body electronic control systems), opto-mechatronics products, digital televisions, digital video cameras, digital video recorders, digital audio equipment, automotive accessories, key automotive components (engine intake superchargers), automotive interior and exterior trim parts, rubber, plastic and metal products, and automotive rearview mirrors; design, manufacturing, and processing of molds; sales of the Company's self-produced products; investment in manufacturing projects; and engagement in the import and export of goods and technologies (excluding goods or technologies prohibited or restricted by the government to be imported or exported).

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 15 The shares of the Company shall take the form of stock certificates.

Article 16 The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same category shall carry the same rights.

Shares of the same category and in the same issue are issued on the same conditions and at the same price. Subscribers subscribing to the shares pay the same price for each share.

Article 17 The shares with par value issued by the Company including the shares issued by the Company on the Shanghai Stock Exchange (hereinafter referred to as the "A Shares") and the shares issued by the Company on the Hong Kong Stock Exchange (hereinafter referred to as the "H Shares") shall be both denominated in RMB. The A shares issued by the Company shall be centrally deposited with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company may, in accordance with the laws, securities regulatory rules and securities depository and clearing requirements of the place of listing, be principally deposited with a custodian company under Hong Kong Securities Clearing Company Limited, or may be held by shareholders in their own names.

Article 18 The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide financial assistance in the form of gifts, advances, guarantees or loans for others to acquire shares of the Company or its parent company, except when the Company implements an employee shareholding scheme.

For the interests of the Company, by resolution of the shareholders' meeting, or by resolution of the Board of Directors in accordance with the Articles 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 the financial assistance shall not exceed 10% of the total issued share capital. Such resolution made by the Board of Directors shall be passed by two-thirds or more of all directors.

Article 19 The promoters and their methods and time of capital contribution at the time of the Company's establishment were as follows:

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

Article 20 The number of issued shares of the Company is 1,550,770,563 Shares, and the share capital structure of the Company shall be: 1,550,770,563 ordinary shares, of which 1,395,670,563 shares are A share ordinary shares and 155,100,000 are H Share ordinary shares.

Section 2 Increase, Decrease and Repurchase of Shares

Article 21 In light of the Company's operational and developmental needs, the Company may increase its capital in accordance with the laws and regulations and subject to resolutions of the shareholders' meeting, by any of the following methods:

- (I) an offering of shares to non-specific parties;
- (II) a placement of shares to specific parties;
- (III) allotment of bonus shares to existing shareholders;
- (IV) conversion of reserve funds to share capital;
- (V) other methods permitted by laws and administrative regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 22 The Company may reduce its registered capital. Any reduction of the Company's registered capital shall be subject to the procedures prescribed in the Company Law, other relevant regulations, as well as the Articles.

Article 23 The Company shall not repurchase its shares unless in any of the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies that hold shares in the Company;
- (III) to use the shares for employee shareholding schemes or as share incentives;
- (IV) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders' meeting on the merger or division of the Company;
- (V) to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;

(VI) to safeguard corporate value and shareholders' equity as the Company deems necessary.

Article 24 The Company may acquire its own shares through open and centralized trading or by other methods permitted by laws, administrative regulations, rules of the CSRC and the securities regulatory rules of the place where the Company's shares are listed.

If the Company acquires its own shares for the reasons set out in items (III), (V) and (VI) of paragraph one of Article 23 of the Articles, such acquisition shall be conducted through open and centralized trading and in accordance with the relevant provisions stipulated by laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the Company's shares are listed.

Article 25 The acquisition of the Company's own shares for the reasons set out in items (I) and (II) of paragraph one of Article 23 of the Articles shall be subject to a resolution of the shareholders' meeting. The acquisition of the Company's own shares for the reasons set out in items (III), (V) and (VI) of paragraph one of Article 23 of the Articles may, in accordance with the provisions of the Articles and subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, be approved by a resolution of a Board meeting attended by more than two-thirds of the directors.

With respect to A shares, after the Company acquires its own shares pursuant to paragraph one of Article 23 of the Articles, shares acquired under item (I) shall be cancelled within 10 days from the date of acquisition; shares acquired under items (II) and (IV) shall be transferred or cancelled within 6 months; for shares acquired under items (III), (V) and (VI), the total number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.

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

Section 3 Transfer of Shares

Article 26 The shares of the Company shall be transferred in accordance with the laws.

Article 27 The Company shall not accept its own shares as the subject matter of a pledge.

Article 28 The shares issued by the Company before public offering shall not be transferred within 1 year from the date on which the Company's shares are listed on the stock exchange.

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

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

Article 29 If a shareholder of the Company holding 5% or more its shares (excluding a Recognized Clearing House or its nominee), a director or senior management personnel sells the Company's shares or other equity-like securities held by them within 6 months of purchase, or repurchases them within 6 months of sale, any profit derived therefrom shall belong to the Company, and the Board of Directors of the Company shall recover such profit. However, a securities company that holds more than 5% of the shares due to the sale of shares remaining after underwriting, and other circumstances stipulated by the CSRC shall be exceptions. If the securities regulatory rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

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

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

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

CHAPTER IV SHAREHOLDERS AND SHAREHOLDERS' MEETING

Section 1 General Provision of Shareholders

Article 30 The Company shall, on the basis of the certificates provided by the securities registration and settlement authority, establish a register of members. The register of members is sufficient evidence of the shareholders' shareholding in the Company. The original register of members for H Shares shall be kept in Hong Kong for inspection by shareholders, provided that the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. A shareholder shall enjoy relevant rights and assume relevant obligations in accordance with the category of shares he/she holds. Shareholders holding the same category of shares shall have the same rights and assume the same obligations.

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

Article 31 When the Company intends to convene a shareholders' meeting, distribute dividends, enter into liquidation and engage in other activities that require determination of shareholdings, the Board of Directors or the convenor of a meeting shall determine an equity record date, and the shareholders registered after the close of the equity record date shall be the shareholders entitled to the relevant rights and interests.

Article 32 Shareholders of the Company shall enjoy the following rights:

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

Article 33 A shareholder who requests to inspect or copy the relevant materials of the Company shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations.

Article 34 If the content of a resolution of the shareholders' meeting or the Board of Directors of the Company violates laws or administrative regulations, a shareholder shall have the right to request the people's court at the place of the Company's registration to declare it invalid.

If the convening procedure or voting method of a shareholders' meeting or a Board meeting violates laws, administrative regulations or the Articles, or if the content of a resolution violates the Articles, a shareholder shall have the right to request the people's court at the place of the Company's registration to revoke it within 60 days from the date of the resolution, except where the procedures for convening the shareholders' meeting or a meeting of the Board of Directors or the voting method only has some minor defects, which produces no substantial effect on the resolution.

Where the Board of Directors, shareholders and other relevant parties dispute the validity of a resolution of the shareholders' meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a revocation of the resolution or other judgment or ruling, the relevant parties shall implement the resolution of the shareholders' meeting. The Company, its directors and senior management personnel shall effectively perform their duties to ensure the normal operation of the Company.

If the people's court makes a judgment or ruling on the relevant matters, the Company shall perform its information disclosure obligations in accordance with the laws and administrative regulations, the provisions of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the implementation of the judgment or ruling after it has come into effect. Where correction of prior period matters is involved, it will be dealt with in a timely manner and the Company shall fulfill corresponding information disclosure obligations.

Article 35 A resolution of the shareholders' meeting or the Board of Directors of the Company shall be invalid in any of the following circumstances:

- (I) no shareholders' meeting or Board meeting has been convened to make a resolution;
- (II) the resolution was not voted on at a shareholders' meeting or a Board meeting;
- (III) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles;
- (IV) the number of attendees voting in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles.

Article 36 If a director or senior management personnel other than members of the Audit Committee violates the provisions of the laws, administrative regulations or the Articles in the performance of his/her duties of the Company and causes losses to the Company, a shareholder who has held, individually or jointly, 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request in writing that the Audit Committee institute legal proceedings in the people's court at the place of the Company's registration; if a member of the Audit Committee violates the provisions of the laws, administrative regulations or the Articles in the performance of its duties of the Company and causes losses to the Company, the aforesaid shareholder may request in writing that the Board of Directors institute legal proceedings in the people's court at the place of the Company's registration.

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

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

If a director, supervisor or senior management personnel of a wholly-owned subsidiary of the Company violates the provisions of the laws, administrative regulations or the Articles in the performance of his/her duties of the Company and causes losses to the Company, or if a third party infringes upon the legitimate rights and interests of the Company and causes losses to the Company, a shareholder who has held, individually or jointly, 1% or more of the Company's shares for 180 consecutive days or more may request in writing that the Board of Supervisors or the Board of Directors of a wholly-owned subsidiary of the Company to institute legal proceedings in the people's court or directly in his/her own name in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law.

If a wholly-owned subsidiary of the Company dispenses with a Board of Supervisors or supervisors, but sets up an Audit Committee, the provisions of paragraphs one and two of this article shall apply.

Article 37 If a director or senior management personnel violates the provisions of the laws, administrative regulations or the Articles and harms the interests of shareholders, a shareholder may institute legal proceedings in a people's court.

Article 38 Shareholders of the Company shall have the following obligations:

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

Article 39 If a shareholder of the Company abuses shareholder rights and causes losses to the Company or other shareholders, he/she shall bear compensation liability in accordance with the laws. If a shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously damages the interests of the Company's creditors, he/she shall be jointly and severally liable for the Company's debts.

Section 2 Controlling Shareholder and Actual Controller

Article 40 The controlling shareholder and the actual controller of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the rules of the CSRC and the stock exchange to safeguard the interests of the Company.

Article 41 The controlling shareholder and the actual controller of the Company shall abide by the following provisions:

- (I) shall exercise shareholders' rights in accordance with the law without abusing their control rights or using their affiliated relationship to harm the legitimate rights and interests of the Company or other shareholders;
- (II) shall strictly fulfill the public statements and all commitments made, without making any unauthorized change or exemption;
- (III) shall strictly fulfill the obligation of information disclosure in accordance with relevant regulations, actively and proactively cooperate with the Company in effectively completing the information disclosure work, and notify the Company of major events that have occurred or will occur in a timely manner;
- (IV) shall not occupy the Company's funds in any way;
- (V) shall not force, instruct or require the Company and relevant personnel to provide guarantee in violation of laws and regulations;
- (VI) shall not seek personal gain by taking advantage of the Company's undisclosed major information, disclose any undisclosed major information related to the Company in any way, or carry out activities in violation of laws and regulations such as insider trading, short-term trading, and market manipulation;
- (VII) shall not infringe upon the lawful rights and interests of the Company and other shareholders by any means such as non-fair affiliated transactions, profit distribution, asset restructuring, and external investment;
- (VIII) shall guarantee the Company's integrity of assets, and independence of personnel, finance, institutions and business, without affecting the Company's independence in any way;
- (IX) laws, administrative regulations, rules of the CSRC, business rules of the stock exchange, and other provisions of this Articles.

If the controlling shareholder or the actual controller of the Company does not serve as a director of the Company but actually handles the Company's affairs, the provisions of the Articles regarding the duty of loyalty and diligence of directors shall apply.

If the controlling shareholder or the actual controller of the Company instructs a director or senior management personnel to conduct acts that harm interests of the Company or shareholders, he or she shall assume joint and several liability with such director or senior management personnel.

Article 42 The controlling shareholder or the actual controller pledging the Company's shares held or actually controlled by him or her shall maintain control over the Company and the stability of the Company's production and operation.

Article 43 If the controlling shareholder or the actual controller transfers the Company's shares held by him or her, he or she shall abide by the restrictive provisions on share transfer as stipulated by laws, administrative regulations, rules of the CSRC, and the securities regulatory rules of the place where the Company's shares are listed, as well as the commitments made regarding the restricted share transfer.

Section 3 General Provisions of the Shareholders' Meeting

Article 44 The shareholders' meeting of the Company shall consist of all the shareholders. The shareholders' meeting is the power organ of the Company and exercises the following functions and powers in accordance with the laws:

- (I) to elect and replace directors, and to decide on matters relating to the remuneration of relevant directors;
- (II) to review and approve reports of the Board of Directors;
- (III) to review and approve the profit distribution plans and loss recovery plans of the Company;
- (IV) to adopt resolutions on increasing or reducing the registered capital of the Company;
- (V) to adopt resolutions on the issuance of bonds of the Company;
- (VI) to adopt resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (VII) to amend the Articles;
- (VIII) to make resolutions on the hiring and dismissal of accounting firms that undertake the audit engagements of the Company;
- (IX) to review and approve the guarantee matters under Article 45 of the Articles;
- (X) to review the matters relating to the purchase or the sale of major assets by the Company within 1 year, the amount of which exceeds 30% of the latest audited total assets of the Company;
- (XI) to review and approve matters relating to the modification of use of proceeds;
- (XII) to review the share incentive schemes and employee shareholding schemes;
- (XIII) to review other matters that are required to be resolved by the shareholders' meeting as prescribed by the law, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

The Company may issue shares or corporate bonds convertible into shares by resolution of the shareholders' meeting or by resolution of the Board of Directors authorized by the Articles or the shareholders' meeting. The specific implementation shall comply with the laws, administrative regulations, rules of the CSRC, and securities regulatory rules of the place where its shares are listed.

Except as otherwise provided by laws, administrative regulations, rules of the CSRC, or securities regulatory rules of the place where its shares are listed, the functions and powers of the aforesaid shareholders' meeting shall not be performed by the Board of Directors or any other body or individual in the form of authorization.

Article 45 The following external guarantees of the Company shall be submitted to the shareholders' meeting for review and approval:

- (I) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;
- (II) any guarantee provided after the total amount of external guarantees of the Company exceeds 30% of the latest audited total assets;
- (III) any guarantee provided with a guarantee amount exceeding 30% of the Company's latest audited total assets on the principle of accumulative calculation of guarantee amount for 12 consecutive months;
- (IV) any guarantee provided for a guaranteed party with an asset-liability ratio exceeding 70%;
- (V) any single guarantee with an amount exceeding 10% of the latest audited net assets;
- (VI) any guarantee provided for shareholders, actual controllers and their related parties;
- (VII) other external guarantee matters that should be decided by the shareholders' meeting in accordance with relevant laws and regulations or the securities regulatory rules of the place where the Company's shares are listed.

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

Article 46 Shareholders' meetings include annual shareholders' meetings and extraordinary shareholders' meetings. Annual shareholders' meetings shall be convened once a year and within 6 months after the end of the preceding fiscal year.

Article 47 The Company shall convene an extraordinary shareholders' meeting within 2 months from the date of the occurrence of any of the following circumstances:

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

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

Article 48 When the Company convenes a shareholders' meeting, it will engage lawyers to attend the shareholders' meeting, issue a legal opinion on the following matters and make an announcement:

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

Article 49 The Company's shareholders' meeting may be held at the Company's domicile, the place where its shares are listed or other locations deemed appropriate by the Company. The shareholders' meeting will be held at a physical venue in the form of a physical meeting. The Company will also provide online voting to facilitate shareholders' participation in the shareholders' meeting.

In addition to being held at a physical venue in the form of a physical meeting, the shareholders' meeting may be held concurrently through electronic communication, so that shareholders can attend virtually with the use of technology and cast votes by electronic means. The time and location of the physical meeting shall be chosen to facilitate the participation of shareholders. If the Company's shareholders' meeting is held through electronic communication, the detailed participation method will be listed in the notice of the shareholders' meeting.

Shareholders who participate in the shareholders' meeting through the above methods shall be deemed to be present.

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

Section 4 Convening of the Shareholders' Meeting

Article 50 The Board of Directors shall convene the shareholders' meeting on time within the prescribed time limit.

With the consent of more than half of all independent directors, independent directors shall have the right to propose to the Board of Directors the convening of an extraordinary shareholders' meeting. For the proposal of independent directors to convene an extraordinary shareholders' meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the proposal.

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

Article 51 When the Audit Committee proposes to the Board of Directors the convening of an extraordinary shareholders' meeting, it shall make the same to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the proposal.

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

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

Article 52 When a shareholder or shareholders holding, individually or jointly, 10% or more of the Company's shares request(s) the Board of Directors to convene an extraordinary shareholders' meeting, it/they shall make the request to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles, give written feedback of its agreement or disagreement to convene the extraordinary shareholders' meeting within 10 days of receiving the request.

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

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

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

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

Article 53 If the Audit Committee or shareholders decide to convene a shareholders' meeting on their own, they shall notify the Board of Directors in writing and file a report with the Shanghai Stock Exchange at the same time.

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

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

Article 54 For a shareholders' meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the Secretary to the Board of Directors shall cooperate and facilitate it. The Board of Directors shall provide the register of members on the equity record date.

Article 55 For a shareholders' meeting convened by the Audit Committee or shareholders on their own, the necessary expenses of the meeting shall be borne by the Company.

Section 5 Proposals and Notices of the Shareholders' Meeting

Article 56 The contents of proposals shall fall within the authority of shareholders' meetings, have a clear topic and specific resolutions, and be in compliance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the relevant provisions of the Articles.

Article 57 When the Company convenes a shareholders' meeting, the Board of Directors, the Audit Committee and shareholders individually or jointly holding no less than 1% of the shares of the Company shall be entitled to put forward proposals to the Company.

Shareholders individually or jointly holding no less than 1% of the shares of the Company may submit interim proposals in writing to the convenor 10 days prior to the date of shareholders' meeting. The convenor shall issue a supplemental notice of shareholders' meeting within 2 days after receipt of the motion, with such interim proposals announced and submitted to the shareholders' meeting for deliberation, except for an interim proposal that violates the laws, administrative regulations or the Articles, or does not fall under the scope of functions and powers of the shareholders' meeting. If the shareholders' meeting needs to be postponed due to the issuance of a supplemental notice of the shareholders' meeting as required by the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

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

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

Article 58 The convenor shall issue an announcement 20 days prior to the convening of the annual shareholders' meeting to notify every shareholder, and 15 days prior to the convening of the extraordinary shareholders' meeting to notify every shareholder.

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

Article 59 Notice of the shareholders' meeting shall include the following:

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

Article 60 The notice and supplemental notice of the shareholders' meeting shall fully and completely disclose all the specific contents of all proposals.

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

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

Article 61 If the shareholders' meeting is intended to discuss the election of directors, the notice of the shareholders' meeting shall fully disclose the detailed information of the candidates for directors, including at least the following:

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

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

Article 62 After the notice of the shareholders' meeting has been issued, the shareholders' meeting shall not be postponed or cancelled, and the proposals listed in the notice of the shareholders' meeting shall not be cancelled without sound reason. In the event of postponement or cancellation, the convenor shall announce and describe the reason(s) at least 2 working days before the originally scheduled date of the meeting. If the securities regulatory rules of the place where the Company's shares are listed have special provisions on the procedures for postponing or cancelling a shareholders' meeting, such provisions shall prevail, provided that they do not violate the domestic regulatory requirements.

Section 6 Holding of the Shareholders' Meeting

Article 63 The Board of Directors of the Company and other convenors shall take necessary measures to ensure the normal order of the shareholders' meeting. For acts that disrupt the shareholders' meeting, cause trouble and infringe upon the legitimate rights and interests of shareholders, measures will be taken to stop them and report them to the relevant departments for investigation and handling in a timely manner.

Article 64 All shareholders or their proxies registered on the register of members on the equity record date shall have the right to attend shareholders' meetings and exercise their voting rights in accordance with the relevant laws, regulations and the Articles.

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

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

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

Article 65 An individual shareholder who attends the meeting in person shall present his/her ID card or other valid certificate or proof that can prove his/her identity; if a proxy to attend the meeting, the proxy shall present his/her valid ID card and the shareholder's power of attorney.

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

Article 66 The power of attorney issued by a shareholder to entrust another person to attend a shareholders' meeting shall state the following:

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

If the listing rules of the place where the Company's shares are listed provide otherwise, such provisions shall prevail.

Article 67 If the proxy form for voting is signed by a person authorized by the principal, the power of attorney or other authorization document authorizing the signature shall be notarized. The notarized power of attorney or other authorization document and the proxy form for voting shall be deposited at the Company's domicile or at such other place as may be specified in the notice convening the meeting.

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

Article 68 The registration book for attendees of the meeting shall be prepared by the Company. The registration book shall state the names (or unit names), ID card numbers, the number of voting shares held or represented, and the names (or unit names) of the principals of the attendees, etc..

Article 69 The convenor and the lawyers engaged by the Company shall jointly verify the legality of the shareholders' qualifications based on the register of members provided by the securities depository and clearing institution, and register the names (or titles) of the shareholders and the number of voting shares held by them. The registration for the meeting shall be terminated before the chairman of the meeting announces the number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them.

Article 70 When a shareholders' meeting requests directors and senior management personnel to be present at the meeting, directors and senior management personnel shall be present at the meeting and accept inquiries from shareholders. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforesaid persons may attend or be present at the meeting by means of network, video, telephone or other means with equivalent effect.

Article 71 The shareholders' meeting shall be presided over by the Chairman of the Board of Directors. If the Chairman of the Board of Directors is unable or fails to perform his/her duties, the Vice Chairman of the Board of Directors shall preside over the meeting; if the Vice Chairman of the Board of Directors is unable or fails to perform his/her duties, a director shall be jointly elected by more than half of the directors to preside over the meeting.

A shareholders' meeting convened by the Audit Committee on its own shall be presided over by the convenor of the Audit Committee. If the convenor of the Audit Committee is unable or fails to perform his/her duties, a member of the Audit Committee shall be jointly elected by more than half of the members of the Audit Committee to preside over the meeting.

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

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

Article 72 The Company shall formulate rules of procedure for shareholders' meetings, which shall specify in detail the procedures for convening, holding and voting at shareholders' meetings, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of resolutions, minutes of meetings and their signing, announcement, etc., as well as the principles for the authorization of the Board of Directors by the shareholders' meeting, and the content of the authorization shall be clear and specific. The rules of procedure for shareholders' meetings shall be an appendix to the Articles, drafted by the Board of Directors and approved by the shareholders' meeting.

Article 73 At the annual shareholders' meeting, the Board of Directors shall report to the shareholders' meeting on their work in the past year. Each independent director shall also make a report on his/her duties.

Article 74 Directors and senior management personnel shall explain and clarify the questions and suggestions of shareholders at the shareholders' meeting.

Article 75 The chairman of the meeting shall, before voting, announce the number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them. The number of shareholders and proxies present at the physical meeting and the total number of voting shares held by them shall be based on the registration for the meeting.

Article 76 Minutes shall be taken of the shareholders' meeting, for which the Secretary to the Board of Directors shall be responsible. The minutes of the meeting shall record the following:

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

Article 77 The convenor shall ensure that the content of the minutes of the meeting is true, accurate and complete. The directors, Secretary to the Board of Directors, the convenor or his/her representative, and the chairman of the meeting present or in attendance at the meeting shall sign the minutes of the meeting.

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

Article 78 The convenor shall ensure that the shareholders' meeting is held continuously until a final resolution is reached. If the shareholders' meeting is suspended or a resolution cannot be made due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' meeting as soon as possible or to terminate the meeting directly, and an announcement shall be made in a timely manner. At the same time, the convenor shall report to the local branch of the CSRC and the stock exchange where the Company is located.

Section 7 Voting and Resolutions of the Shareholders' Meeting

Article 79 Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share. When voting, a shareholder (including a proxy) with two or more votes need not cast all of his/her votes for, against or abstain.

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

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

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

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

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

Article 80 Resolutions of the shareholders' meeting include ordinary resolutions and special resolutions.

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

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

The shareholders referred to in this article include those who attend shareholders' meetings by appointing proxies.

Article 81 The following matters shall be adopted by ordinary resolution at a shareholders' meeting:

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

Article 82 The following matters shall be adopted by special resolution at a shareholders' meeting:

- (I) the increase or reduction of the registered capital by the Company;
- (II) the Company acquires its own shares in accordance with the circumstances specified in Article 23, paragraph one, items (I) and (II) of the Articles;
- (III) the division, spin-off, merger, dissolution and liquidation of the Company;
- (IV) the amendment to the Articles;
- (V) the share incentive schemes;
- (VI) the purchase or the sale of major assets by the Company within 1 year, or the guarantee amount of which provided to others exceeds 30% of the latest audited total assets of the Company;
- (VII) other matters that are stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles, and are recognized by the shareholders' meeting through an ordinary resolution as having a significant impact on the Company and requiring adoption by a special resolution.

Article 83 Except in special circumstances such as a crisis of the Company, the Company will not, without the approval of a special resolution of the shareholders' meeting, enter into a contract with a person other than a director or senior management personnel to entrust the management of all or important business of the Company to that person.

Article 84 The list of candidates for directors shall be submitted to the shareholders' meeting for voting in the form of a proposal.

The method and procedure for nominating directors are as follows:

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

When the Board of Directors of the Company is to be re-elected or when there is a vacancy in the membership of the Board of Directors that needs to be filled, a shareholder or shareholders holding or jointly holding 1% or more of the total voting shares of the Company may recommend candidates for directors to the Board of Directors of the Company in writing. After review by the Board of Directors of the Company, if the candidates comply with the laws and the Articles, the Board of Directors of the Company shall submit the list of candidates for directors, their resumes and basic information to the shareholders' meeting for consideration in the form of a proposal.

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

When the shareholders' meeting votes on the election of two or more directors, the cumulative voting system may be implemented in accordance with the Articles or a resolution of the shareholders' meeting.

When a single shareholder of the Company and his or her person acting in concert hold 30% or more shares, or when the Company votes on the election of two or more independent directors, the cumulative voting system shall be implemented.

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

Article 85 The shareholders' meeting shall adopt a registered voting system.

Article 86 Except for the cumulative voting system, the shareholders' meeting shall vote on all proposals one by one. If there are different proposals on the same matter, they shall be voted on in the order in which they are proposed. Except for the suspension of the shareholders' meeting or the inability to make a resolution due to force majeure or other special reasons, the shareholders' meeting shall not shelve or fail to vote on a proposal.

Article 87 When the shareholders' meeting considers a proposal, it shall not amend the proposal. If changes, it shall be deemed to be a new proposal and cannot be voted on at this shareholders' meeting.

Article 88 The Company shall, on the premise of ensuring the legality and validity of the shareholders' meeting, provide convenience for shareholders to participate in the shareholders' meeting through various ways and means, and give priority to providing modern information technology means such as online voting platforms.

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

Article 89 Before the shareholders' meeting votes on a proposal, two shareholder representatives shall be elected to participate in the vote counting and supervision. If the matter under consideration is related to a shareholder, the relevant shareholder and his/her proxy shall not participate in the vote counting and supervision.

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

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

Article 90 The end time of the physical shareholders' meeting shall not be earlier than that of the online or other means. The chairman of the meeting shall announce the voting situation and results of each proposal, and announce whether the proposal is passed according to the voting results. Before the official announcement of the voting results, the Company, vote counters, scrutineers, shareholders, online service providers and other relevant parties involved in the physical, online and other voting methods of the shareholders' meeting shall be obliged to keep the voting situation confidential.

Article 91 Shareholders attending the shareholders' meeting shall express one of the following opinions on the proposals submitted for voting: agree, oppose or abstain. This does not apply to securities depository and clearing institutions acting as nominee holders of shares under the Stock Connect scheme between the Chinese Mainland and Hong Kong stock markets, who declare their votes according to the intentions of the actual holders.

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

Article 92 If the chairman of the meeting has any doubt about the result of a resolution submitted for voting, he/she may organize a recount of the votes; if the chairman of the meeting does not conduct a recount, a shareholder or shareholder's proxy present at the meeting who objects to the result announced by the chairman of the meeting shall have the right to demand a recount immediately after the announcement of the voting result, and the chairman of the meeting shall immediately organize a recount.

Article 93 When the shareholders' meeting considers matters concerning related party transactions, the related shareholders shall not participate in the voting, and the number of voting shares represented by them shall not be included in the total number of valid votes; the announcement of the resolution of the shareholders' meeting shall fully disclose the voting situation of the non-related shareholders.

Article 94 If a proposal is not passed, or if the current shareholders' meeting changes the resolution of the previous shareholders' meeting, a special reminder shall be made in the announcement of the resolution of the shareholders' meeting.

Article 95 If the shareholders' meeting passes a proposal on the election of directors, the term of office of the newly appointed directors shall commence from the date of the resolution of this shareholders' meeting.

Article 96 If the shareholders' meeting passes a proposal on dividend distribution, bonus issue or conversion of capital reserve into share capital, the Company shall implement the specific plan within 2 months after the end of the shareholders' meeting. If the specific plan cannot be implemented within 2 months due to the provisions of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such provisions and the actual situation.

Article 97 The resolutions of the shareholders' meeting shall be announced in a timely manner. The announcement shall state the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the proportion of such shares to the total number of voting shares of the Company, the voting method, the voting results of each proposal and the detailed content of each resolution passed.

CHAPTER V DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions of Directors

Article 98 The directors of the Company may include executive directors, non-executive directors and independent directors. Non-executive directors refer to directors who do not hold operation and management positions in the Company. The qualifications, nomination and election procedures, powers and other related matters of independent directors shall be implemented in accordance with the relevant provisions of the law, the CSRC and the stock exchange where the Company's shares are listed. Directors shall have the qualifications for office required by laws, administrative regulations, rules and the securities regulatory rules of the place where the Company's shares are listed, and the Articles. The directors of the Company shall be natural persons. A person shall not serve as a director of the Company if he/she:

- (I) has no or limited capacity for civil conduct;

- (II) has been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property or disruption of the socialist market economic order, or has been deprived of political rights for a crime, and not more than 5 years have elapsed since the expiration of the execution period, or has been announced of a probation, and not more than 2 years have elapsed since the date on which the probation period expires;
- (III) was a director or factory director or manager of a company or enterprise that was declared bankrupt and liquidated, and was personally responsible for the bankruptcy of that company or enterprise, and not more than 3 years have elapsed since the completion of the bankruptcy and liquidation of that company or enterprise;
- (IV) was the legal representative of a company or enterprise whose business license was revoked and which was ordered to close down for violation of the law, and was personally responsible for it, and not more than 3 years have elapsed since the date of the revocation of the business license of that company or enterprise;
- (V) has a large amount of personal debt that is due and has not been paid off and the person is listed as a dishonest judgment debtor by a people's court;
- (VI) has been subject to a securities market ban by the CSRC, and the period has not expired;
- (VII) is publicly identified by the stock exchange as unsuitable to serve as director or senior management personnel of a listed company and such term has not yet expired;
- (VIII) other circumstances stipulated by laws, administrative regulations or departmental rules.

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

The term "independent directors" as used in the Articles has the same meaning as the term "independent non-executive directors" in the Hong Kong Listing Rules, and independent directors shall comply with the requirement of independence as prescribed in the Hong Kong Listing Rules.

Article 99 Directors are elected or replaced by the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their term. The term of office for a director is 3 years, and upon expiration, re-election is possible in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed. Before the expiration of a director's term of office, he/she may be removed by an ordinary resolution of the shareholders' meeting, but such removal shall not affect any claim for damages made by the director under any contract.

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

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

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

Article 100 The directors shall abide by the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles and have duty of loyalty to the Company. They shall adopt measures to avoid conflicts between their own interests and the interests of the Company, and shall not take advantage of their powers to seek any improper interests.

The directors have the following duty of loyalty to the Company:

- (I) shall not embezzle the property of the Company or misappropriate the Company's funds;
- (II) shall not open an account for depositing the Company's assets or funds in his/her own name or in the name of another individual;
- (III) shall not take advantage of his power to accept bribes or other illegal income;
- (IV) shall not directly or indirectly enter into contracts or conduct transactions with the Company without reporting to the Board of Directors or the shareholders' meeting and adoption by the resolution of the Board of Directors or the shareholders' meeting in accordance with the provisions of the Articles;
- (V) shall not take advantage of his position to seek business opportunities for himself or others that should belong to the Company, except if the situation is reported to the Board of Directors or the shareholders' meeting and adopted by the resolution of the shareholders' meeting, or if the Company is unable to take advantage of such business opportunities in accordance with the laws, administrative regulations or the provisions of the Articles;
- (VI) shall not take advantage of his position to operate the same kind of business as that of the Company for himself or for others without reporting to the Board of Directors or the shareholders' meeting and adoption by the resolution of the shareholders' meeting;
- (VII) shall not accept commissions from others' transactions with the Company as his own;
- (VIII) shall not disclose the Company's secrets without authorization;
- (IX) shall not make use of the affiliated relationship to prejudice the interests of the Company;

- (X) other duties of loyalty stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

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

Where a close relative of a director or senior management personnel, an enterprise directly or indirectly controlled by a director, supervisor, or senior management personnel of the Company or a close relative of him or her, or an affiliated party that is otherwise affiliated to a director or senior management personnel enters into a contract or conducts a transaction with the Company, the provision of item (IV) of paragraph two of this article shall apply.

Article 101 Directors shall abide by the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles, be subject to the diligence obligations to the Company, and exercise the due care that a manager ordinarily exercises in the best interest of the Company in executing their functions.

Directors shall be subject to the following diligence obligations to the Company:

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

Article 102 Without the provision of the Articles or the legal authorization of the Board of Directors, a director shall not act in his/her personal name on behalf of the Company or the Board of Directors. When a director acts in his/her personal name, if a third party would reasonably believe that the director is acting on behalf of the Company or the Board of Directors, the director shall declare his/her position and identity in advance.

Article 103 If a director fails to attend a Board meeting in person for two consecutive times and does not entrust another director to attend, he/she shall be deemed to be unable to perform his/her duties, and the Board of Directors shall recommend to the shareholders' meeting that he/she be replaced. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, if a director attends a Board meeting by means of network, video, telephone or other means with equivalent effect, he/she shall also be deemed to have attended in person.

Article 104 A director may resign before the expiration of his/her term of office. A director who resigns shall submit a written resignation report to the Company. The resignation takes effect on the date when the Company receives the resignation report, and the Company shall disclose the relevant situation within two days.

Article 105 If the resignation of a director results in the number of members of the Board of Directors of the Company falling below the statutory minimum, before the re-elected director takes office, the former director shall still perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles.

Article 106 The Company shall establish a management system for the departure of directors, clearly defining guarantee measures for holding liable and recovering compensation for unfulfilled public commitments and other outstanding matters. When a director's resignation takes effect or his/her term of office expires, he/she shall complete all handover procedures with the Board of Directors. His/her duty of loyalty to the Company and shareholders shall not be automatically lifted after the end of his/her term of office, and shall remain valid for 2 years. The responsibilities that a director shall assume in the performance of duties during his or her term of office shall not be relieved or terminated upon leaving office.

Article 107 The shareholders' meeting may adopt a resolution to remove a director, and the removal takes effect on the date of resolution.

Where a director is removed before expiry of his or her term of office without sound reasons, the director may require the Company to pay compensation.

Article 108 If a director violates the provisions of laws, administrative regulations, departmental rules or the Articles in the performance of his/her duties in the Company and causes losses to the Company, he/she shall be liable for compensation. If a director causes damage to others in the performance of his/her duties in the Company, the Company shall assume liability for compensation; if the director acts intentionally or with gross negligence, he/she shall also assume liability for compensation.

Article 109 Independent directors shall perform their duties in accordance with the relevant provisions of laws, administrative regulations, departmental rules and the Articles, fully understand the operation of the Company and the content of the agenda of the Board of Directors, and safeguard the interests of the Company and all shareholders, especially paying attention to the protection of the legitimate rights and interests of small and medium-sized shareholders.

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

Section 2 The Board of Directors

Article 110 The Company shall set up a Board of Directors. The Board of Directors shall consist of 10 directors. The Board of Directors shall consist of one chairman and one vice-chairman. The chairman and the vice-chairman shall be elected by a majority vote of all directors.

Article 111 The Board of Directors exercises the following functions and powers:

- (I) to convene shareholders' meetings and report to the shareholders' meetings;
- (II) to implement resolutions of the shareholders' meetings;
- (III) to decide on the Company's business plans and investment plans;
- (IV) to formulate the Company's profit distribution plans and plans on making up losses;
- (V) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities and the listing of shares;
- (VI) to formulate plans for major acquisitions of the Company, the acquisition of the Company's shares as stipulated in Article 23, items (I) and (II), of the Articles, or plans for mergers, divisions, dissolutions, or change of the form of organization of the Company;
- (VII) to decide on matters related to the acquisition of Company shares as stipulated in Article 23, items (III), (V), and (VI), of the Articles;
- (VIII) in compliance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, within the scope of the authorization granted by the shareholders' meeting, to decide on matters such as the Company's external investments, acquisition and sale of assets, asset mortgages, external guarantees, entrusted financial management, related party transactions, and external donations;
- (IX) to decide on the establishment of internal management organs of the Company;
- (X) to decide to appoint or dismiss the President of the Company, the Secretary of the Board of Directors, and other senior management personnel, and to decide on matters regarding their remunerations, rewards and punishments; based on the nomination of the President, to appoint or dismiss senior management personnel such as the Vice President and the Chief Financial Officer of the Company, and to decide on matters regarding their remunerations, rewards and punishments;
- (XI) to formulate the basic management system of the Company;
- (XII) to formulate proposals to amend the Articles;
- (XIII) to manage information disclosure of the Company;

- (XIV) to propose to the shareholders' meeting the appointment or replacement of the accounting firm that provides audit services to the Company;
- (XV) to listen to the work report of the President and relevant personnel of the Company and to inspect the work of the President;
- (XVI) the annual shareholders' meeting of the Company may authorize the Board of Directors to decide on the issuance of shares to specific objects with a total financing amount not exceeding RMB three hundred million and not more than twenty percent of the net assets at the end of the most recent year. This authorization shall expire on the date of the next annual shareholders' meeting;
- (XVII) other duties stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles, as well as other powers granted by the Articles.

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

Article 112 The Board of Directors of the Company shall explain to the shareholders' meeting the non-standard audit opinion issued by the certified public accountant on the Company's financial report.

Article 113 The Board of Directors shall formulate rules of procedure for the Board of Directors to ensure that the Board of Directors implements the resolutions of the shareholders' meeting, improves work efficiency and ensures scientific decision-making.

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

Article 114 The Board of Directors shall establish special committees including a Strategy and ESG Committee, an Audit Committee, as well as a Nomination, Remuneration and Appraisal Committee.

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

Article 115 The Board of Directors shall determine the authority for external investment, acquisition and sale of assets, asset mortgage, external guarantee, entrusted financial management, related party transactions, and external donations, and establish strict review and decision-making procedures; major investment projects shall be reviewed by relevant experts and professional personnel and submitted to the shareholders' meeting for approval.

Article 116 The chairman shall exercise the following functions and powers:

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

Article 117 The vice-chairman of the Company shall assist the chairman in his/her work. If the chairman is unable or fails to perform his/her duties, the vice-chairman shall perform his/her duties; if the vice-chairman is unable or fails to perform his/her duties, a director shall be jointly elected by more than half of the directors to perform his/her duties.

Article 118 The Board of Directors shall hold at least four regular meetings each year. Board meetings shall be convened by the chairman. A written notice of a regular Board meeting shall be given to all directors 14 days before the meeting is held.

Article 119 Shareholders representing 1/10 or more of the voting rights, 1/3 or more of the directors, more than half of the independent directors or the Audit Committee may propose to convene an extraordinary Board meeting. The chairman shall convene and preside over the Board meeting within 10 days of receiving the proposal.

Article 120 The notice of an extraordinary Board meeting shall be given by: personal delivery of a written notice, email, fax, telephone or other communication methods to the director himself/herself; the time limit for the notice shall be within 2 working days before the meeting is held.

Article 121 The notice of a Board meeting shall include the following:

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

Article 122 A Board meeting may be held only if more than half of the directors are present.

A resolution of the Board of Directors must be passed by more than half of all directors.

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

Article 123 If a director has an affiliated relationship with the enterprise or individual involved in the matter to be resolved by the Board meeting, the director shall submit a written report to the Board of Directors in a timely manner. The affiliated director shall not exercise his/her voting right on the resolution, nor shall he/she act as a proxy for other directors to exercise their voting rights. The Board meeting may be held if more than half of the non-affiliated directors are present, and the resolution made shall be passed by more than half of the non-affiliated directors. If the number of non-affiliated directors present at the Board meeting is less than 3, the matter shall be submitted to the shareholders' meeting for consideration.

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

Article 124 A Board meeting may, on the premise of ensuring that directors can fully express their opinions, be held by means of communication or a combination of physical and communication means and a resolution may be made, which shall be signed by the participating directors.

Article 125 A Board meeting shall be attended by the director in person. If a director is unable to attend the meeting for any reason, he/she may entrust another director in writing to attend on his/her behalf.

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

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

Article 126 The voting method for a Board resolution shall be by a show of hands or by poll, and a written opinion shall be signed. Each director shall have one vote.

Article 127 The Board of Directors shall prepare meeting minutes for resolutions on matters deliberated at a meeting of the Board of Directors. Complete and true minutes shall be taken of a Board meeting. The directors present at the meeting and the person taking the minutes shall sign the minutes of the meeting. The directors present at the meeting shall have the right to request that an explanatory note be made in the minutes of their speeches at the meeting. The minutes of a Board meeting shall be kept by the Secretary to the Board of Directors as an important archive of the Company and as an important basis for clarifying the responsibilities of directors in the future. The retention period shall not be less than 10 years.

Article 128 The minutes of a Board meeting shall include the following:

- (I) the date, place and name of the convenor of the meeting;
- (II) the names of the directors present at the meeting and the names of the directors (i.e., proxies) who attended the Board meeting on behalf of others;

- (III) the agenda of the meeting;
- (IV) the main points of the directors' speeches;
- (V) the voting method and results of each resolution (the voting results shall state the number of votes for, against or abstained).

Section 3 Independent Directors

Article 129 Independent directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, rules of the CSRC and the stock exchange, and the Articles, diligently perform their duties, maximize the role of participating in decision making, supervision and balancing, and professional consultation in the Board of Directors, safeguard the overall interests of the Company, and protect the lawful rights and interests of minority shareholders.

Article 130 Independent directors must maintain their independence. The following personnel shall not serve as independent directors:

- (I) personnel employed by the Company or its affiliated enterprises, as well as their spouses, parents, children and major social relations therewith;
- (II) natural person shareholders who directly or indirectly hold more than 1% of the shares issued by the Company or are among the top ten shareholders of the Company, as well as their spouses, parents and children;
- (III) shareholders who directly or indirectly hold more than 5% of the shares issued by the Company, or hold positions among in the top five shareholders of the Company, as well as their spouses, parents and children;
- (IV) personnel employed in the affiliated enterprises of the Company's controlling shareholder or actual controller, as well as their spouses, parents and children;
- (V) personnel who have significant business transactions with the Company and its controlling shareholder, actual controller or their respective affiliated enterprises, or who hold positions in entities with significant business transactions and their controlling shareholder or actual controller;
- (VI) personnel providing financial, legal, consulting, sponsorship and other services to the Company and its controlling shareholders, actual controllers or their respective affiliated enterprises, including but not limited to all members of the project team of the intermediary institutions providing services, review personnel at all levels, personnel affixing signatures to the reports, partners, directors, senior management personnel and main responsible persons;
- (VII) personnel who fall under any of the circumstances listed in items (I) to (VI) within the most recent twelve months;
- (VIII) other personnel who do not have independence as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, business rules of the stock exchange and the Articles.

The affiliated enterprises of the Company's controlling shareholder or actual controller as mentioned in items (IV) to (VI) of the preceding paragraph do not include enterprises that are controlled by the same state-owned asset management institution as the Company and have not formed an affiliated relationship with the Company in accordance with the relevant regulations.

Independent directors shall conduct self-examination of their independence every year and submit the self-examination results to the Board of Directors. The Board of Directors shall assess the independence of incumbent independent directors every year and issue special opinions, which shall be disclosed concurrently with the annual report.

Article 131 Anyone who serves as an independent director of the Company shall meet the following conditions:

- (I) he/she is qualified to serve as a director of a listed company in accordance with laws, administrative regulations and other relevant provisions;
- (II) he/she complies with the requirements for independence as stipulated in the Articles;
- (III) he/she possesses basic knowledge on operation of listed companies and is familiar with relevant laws, regulations and rules;
- (IV) he/she has more than five years of working experience in law, accounting or economics, etc. necessary to perform the duties of an independent director;
- (V) he/she has sound personal character and no major records of bad faith or other bad records;
- (VI) other conditions as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, business rules of the stock exchange, and the Articles.

Article 132 As members of the Board of Directors, independent directors shall be loyal and diligent to the Company and all shareholders, and shall perform the following duties prudently:

- (I) to participate in the decision-making of the Board of Directors and to express clear opinions on the matters deliberated;
- (II) to supervise potential major conflicts of interest between the Company and its controlling shareholder, actual controller, directors and senior management personnel, and to protect the lawful rights and interests of minority shareholders;
- (III) to provide professional and objective suggestions for the Company's operation and development to promote the improvement of the decision-making level of the Board of Directors;
- (IV) other duties as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Article 133 Independent directors shall exercise the following special functions and powers:

- (I) to independently engage intermediary institutions to audit, consult or verify specific matters of the Company;
- (II) to put forward a proposal to the Board of Directors to convene an interim shareholders' meeting;
- (III) to put forward a proposal to convene a meeting of the Board of Directors;
- (IV) to Publicly solicit shareholders' rights from shareholders in accordance with the law;
- (V) to express independent opinions on matters that may harm the rights and interests of the Company or minority shareholders;
- (VI) other functions and powers as prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Independent directors exercising the functions and powers listed from items (I) to (III) of the preceding paragraph shall obtain the consent of more than half of all independent directors.

If an independent director exercises the functions and powers listed in paragraph one, the Company shall disclose them in a timely manner. If the aforesaid functions and powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 134 The following matters shall be submitted to the Board of Directors for deliberation after being approved by more than half of all independent directors of the Company:

- (I) affiliated transactions that shall be disclosed;
- (II) plans for the Company and affiliated parties to change or waive their commitments;
- (III) decisions made and measures adopted by the Board of Directors of the acquired listed company regarding the acquisition;
- (IV) other matters as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Article 135 The Company shall establish a special meeting mechanism attended entirely by independent directors. When the Board of Directors deliberates matters such as affiliated transactions, they shall be approved in advance by a special meeting of independent directors.

The Company shall hold special meetings for independent directors on a regular or irregular basis. The matters listed from items (I) to (III) of paragraph one of Article 133 and Article 134 of the Articles shall be deliberated by a special meeting of independent directors.

The special meetings of independent directors may study and discuss other matters of the Company as needed.

A special meeting of independent directors shall be convened and presided over by an independent director jointly elected by more than half of independent directors. When the convener fails to or is unable to perform his or her duties, two or more independent directors may convene a meeting and elect one representative to preside over the meeting on their own initiative.

Meeting minutes shall be prepared for a special meeting of independent directors as prescribed, and the opinions of independent directors shall be stated in the meeting minutes. Independent directors shall affix signatures to the meeting minutes for confirmation.

The Company shall provide convenience and support for the convening of special meetings of independent directors.

Section 4 Special Committees of the Board of Directors

Article 136 The Board of Directors of the Company shall establish an Audit Committee to exercise the powers of the Board of Supervisors as prescribed by the Company Law.

The members of the Audit Committee shall consist of 3 directors, as elected by the Board of Director, who do not serve as senior management personnel in the Company. More than half shall be independent directors, and the convener shall be an accounting professional among the independent directors.

Article 137 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for deliberation after being approved by more than half of all members of the Audit Committee:

- (I) to disclose financial information in financial accounting reports and periodical reports, as well as internal control evaluation reports;
- (II) to engage or dismiss the accounting firm that undertakes the auditing business of the Company;
- (III) to appoint or dismiss the Chief Financial Officer of the Company;
- (IV) to make changes in accounting policies, accounting estimates or corrections of major accounting errors for reasons other than changes in accounting standards;
- (V) other matters as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Article 138 The Audit Committee shall hold at least one meeting every quarter. An interim meeting may be convened upon proposal of two or more members or when the convener deems it necessary. A meeting of the Audit Committee must be held only when more than two-thirds of the members are present.

A resolution of the Audit Committee shall be adopted by more than half of the members of the Audit Committee.

In voting on a resolution of the Audit Committee, each member shall have one vote.

The resolutions of the Audit Committee shall be recorded in meeting minutes as required, and the members of the Audit Committee attending the meeting shall affix signatures to the meeting minutes.

The working procedures of the Audit Committee shall be developed by the Board of Directors.

Article 139 The Nomination, Remuneration and Appraisal Committee shall be responsible for drafting the selection criteria and procedures for directors and senior management personnel, selecting and reviewing the candidates of directors and senior management personnel and their qualifications, developing evaluation standards for directors and senior management personnel and conducting evaluation of directors and senior management personnel, developing and reviewing the remuneration decision-making mechanism, decision-making process, arrangements for payment and cessation of payment and recourse and other remuneration policies and plans for directors and senior management personnel, and putting forward suggestions to the Board of Directors on the following matters:

- (I) nomination, appointment or removal of directors;
- (II) appointment or dismissal of senior management personnel;
- (III) remuneration of directors and senior management personnel;
- (IV) development of or amendment to equity incentive plans or employee stock ownership plans, and achievements of conditions for incentive recipients to obtain rights and exercise rights;
- (V) arrangements by directors and senior management personnel for shareholding plans in the subsidiaries to be spun off;
- (VI) other matters as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

If the Board of Directors fails to adopt or fully adopt the suggestions of the Nomination, Remuneration and Appraisal Committee, the opinions of the Nomination, Remuneration and Appraisal Committee and the specific reasons for non-adoption shall be recorded in the resolution of the Board of Directors and be disclosed.

Article 140 The Strategy and ESG Committee shall be primarily responsible for studying and putting forward suggestions on long-term development strategies, major investment strategies, and policies related to sustainability and ESG of the Company.

CHAPTER VI SENIOR MANAGEMENT PERSONNEL

Article 141 The Company shall have one President, who is appointed or dismissed by the Board of Directors.

The Company shall have several Vice Presidents, nominated by the President and appointed or dismissed by the Board of Directors. The Vice Presidents shall assist the President in his/her work.

Article 142 The circumstances under which a person may not serve as a director and the resignation management system as stipulated in the Articles shall also apply to senior management personnel.

The provisions on the duty of loyalty of directors and on the duty of diligence of the Articles shall also apply to senior management personnel.

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

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

Article 143 The term of office of the President shall be 3 years, and he/she may be re-appointed for another term.

Article 144 The President shall be accountable to the Board of Directors and exercise the following functions and powers:

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

Article 145 The President shall be present at the meetings of the Board of Directors.

Article 146 The President shall formulate detailed rules for the work of the President, which shall be implemented after being approved by the Board of Directors.

Article 147 The detailed rules for the work of the President shall include the following:

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

Article 148 The President may resign before the expiration of his/her term of office. The specific procedures and methods for the resignation of the President shall be stipulated in the labor contract between the President and the Company.

Article 149 The Vice Presidents shall assist the President in his/her work and be accountable to the President, and shall be responsible for the relevant work entrusted by the President. The appointment and removal procedures of the Vice Presidents shall be discussed and decided by the Board of Directors of the Company.

Article 150 The Company shall have a Secretary to the Board of Directors, who is responsible for the preparation of the shareholders' meetings and Board meetings of the Company, the custody of documents and the management of shareholder information of the Company, and the handling of information disclosure matters, etc.

The Secretary to the Board of Directors shall comply with the relevant provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Article 151 If senior management personnel causes damage to others in the performance of their duties in the Company, the Company shall assume liability for compensation; if senior management personnel acts intentionally or with gross negligence, they shall also be liable for compensation.

If senior management personnel violate the provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles in the performance of their duties in the Company and cause losses to the Company, they shall be liable for compensation.

Article 152 Senior management personnel of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

If senior management personnel of the Company fail to faithfully perform their duties or violate their fiduciary duties, and cause damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.

CHAPTER VII FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

Section 1 Financial and Accounting Systems

Article 153 The Company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the relevant national departments.

Article 154 Within 4 months after the end of each fiscal year, the Company shall submit and disclose the annual report to the local branch of the CSRC and the stock exchange where the Company's shares are listed. Within 2 months after the end of the first 6 months of each fiscal year, the Company shall submit and disclose the semi-annual report to the local branch of the CSRC and the stock exchange where the Company's shares are listed. Within 1 month after the end of the first 3 months and the first 9 months of each fiscal year, the Company shall submit and disclose the quarterly reports to the local branch of the CSRC and the stock exchange where the Company's shares are listed.

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

Article 155 The Company shall not establish separate accounting books in addition to the statutory accounting books. The funds of the Company shall not be deposited in an account opened in the name of any individual.

Article 156 When the Company distributes its after-tax profits for the current year, it shall set aside 10% of the profits to be included in the Company's statutory reserve fund. If the accumulated amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, it may no longer be set aside.

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

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

If the shareholders' meeting, in violation of the Company Law, distributes profits to the shareholders, the shareholders shall return the profits distributed in violation of the provisions to the Company; if losses are caused to the Company, shareholders and the directors and senior management personnel who are responsible shall assume liability for compensation.

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

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

Article 157 The Company implements an active profit distribution policy, attaches great importance to reasonable investment returns for shareholders, and the profit distribution policy should maintain continuity and stability.

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

1. The Company's cash dividend policy objectives

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

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

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

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

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

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

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

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

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

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

2. Procedure for formulating specific cash dividend plans

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Article 158 The Company's reserve fund shall be used to make up for the Company's losses, expand the Company's production and operation or be converted into an increase in the Company's registered capital.

If the reserve fund is used to make up for the Company's losses, the discretionary and statutory reserve funds shall be first used; and if they are insufficient for making up losses, the capital reserve fund may be used according to the provisions.

When the statutory reserve fund is converted to increase in the registered capital, the amount of the reserve fund retained will not be less than 25% of the Company's registered capital before the conversion.

Article 159 After the Company's shareholders' meeting has made a resolution on the profit distribution plan, or after the Company's Board of Directors has formulated a specific plan based on the conditions and upper limit of the interim dividend for the next year reviewed and approved by the annual shareholders' meeting, the Company's Board of Directors must complete the distribution of dividends (or shares) within two months after the shareholders' meeting is held.

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

Section 2 Internal Auditing

Article 160 The Company implements an internal audit system, which clearly defines the leadership structure, responsibilities and authorities, personnel allocation, financial guarantee, application of audit results and accountability for the internal audit work.

The Company's internal audit system shall be implemented after approval by the Board of Directors and disclosed externally.

Article 161 The internal audit institution of the Company shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit institution shall maintain independence, be staffed with full-time auditors, and shall not be under the leadership of the Finance Department or be co-located with the Finance Department.

Article 162 The internal audit organ shall be responsible to the Board of Directors.

In the process of supervising and inspecting the Company's business activities, risk management, internal control and financial information, the internal audit organ shall accept the supervision and guidance of the Audit Committee. When the internal audit organ discovers any major problem or lead, it shall immediately report directly to the Audit Committee.

Article 163 The internal audit organ shall be in charge of the specific organization and implementation of the internal control evaluation of the Company. The Company shall issue annual internal control evaluation reports based on the evaluation report issued by the internal audit organ and deliberated by the Audit Committee, as well as the relevant materials.

Article 164 When the Audit Committee communicates with external audit entities such as accounting firms and national audit institutions, the internal audit organ shall actively cooperate with them and provide necessary support and collaboration.

Article 165 The Audit Committee shall participate in the evaluation of the person in charge of internal audit.

Section 3 Appointment of Accounting Firm

Article 166 The Company shall engage an accounting firm that meets the requirements of the Securities Law to conduct accounting statement audits, net asset verification and other related consulting services. The term of engagement shall be 1 year, and may be renewed.

Article 167 The appointment or dismissal of an accounting firm by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the shareholders' meeting has made a decision.

Article 168 The Company shall ensure that it provides true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials to the engaged accounting firm, and shall not refuse, conceal or misrepresent them.

Article 169 The auditing fees of the accounting firm shall be decided by the shareholders' meeting.

Article 170 When the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm 60 days in advance. When the Company's shareholders' meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to state its opinion.

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

CHAPTER VIII NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 171 The notices of the Company shall be issued in the following forms:

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

Article 172 A notice issued by the Company by way of public announcement shall be deemed to have been received by all relevant persons once it is announced.

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

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

Article 173 The notice of a shareholders' meeting of the Company shall be given by public announcement.

Article 174 The notice of a meeting of the Board of Directors of the Company shall be given by personal delivery, mail or fax.

Article 175 If a notice of the Company is given by personal delivery, the date of delivery shall be the date of signature (or seal) of the recipient on the delivery receipt; if a notice of the Company is given by mail, the date of delivery shall be the 7th working day from the date of delivery to the post office; if a notice of the Company is given by public announcement, the date of delivery shall be the date of the first publication of the announcement; if a notice of the Company is given by fax or email, the date of delivery shall be the date of confirmation of receipt of the notice of the meeting by the person notified.

Article 176 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not solely invalidate the proceedings at that meeting.

Section 2 Announcements

Article 177 The Company shall, in accordance with the provisions of laws, administrative regulations and the Articles, establish a continuous information disclosure system to disclose information in a true, accurate, complete and timely manner.

Article 178 The information disclosed by the Company shall be easy to understand and accessible to users in a convenient and economical way (such as the Internet).

Article 179 The Secretary to the Board of Directors of the Company shall be responsible for information disclosure matters, including establishing an information disclosure system, receiving visitors, answering inquiries, contacting shareholders, and providing investors with publicly disclosed information of the Company. The Board of Directors and the management shall actively support the work of the Secretary to the Board of Directors. No institution or individual shall interfere with the work of the Secretary to the Board of Directors.

Article 180 The Company shall, in accordance with the provisions of laws and administrative regulations, disclose information on corporate governance, including but not limited to:

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

Article 181 The Company designates the website of the Shanghai Stock Exchange, the Shanghai Securities News, the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's official website as the media for publishing the Company's announcements and other information that needs to be disclosed.

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

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 182 A merger of the Company may take the form of a merger by absorption or a merger by new establishment.

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

Article 183 If the price paid by the Company for a combination does not exceed 10% of the Company's net assets, a resolution of its shareholders' meeting may not be required, except as otherwise prescribed in the Articles.

If a resolution of the shareholders' meeting is not required regarding a combination of the Company pursuant to preceding paragraph, a resolution of the Board of Directors shall be required.

Article 184 In a merger of companies, the merging parties shall execute a merger agreement and prepare the balance sheet and property list. The Company shall notify their creditors within 10 days of adopting merger resolutions, and shall publish the announcement within 30 days on the newspapers, media and website as stipulated in Article 181 of the Articles, or in the National Enterprise Credit Information Publicity System. Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

Article 185 In the event of a merger of companies, the debts and liabilities of the merging parties shall be assumed by the surviving Company or the newly established Company after the merger.

Article 186 If the Company is to be divided, its assets shall be divided accordingly. In a division of the Company, a balance sheet and a property list shall be prepared. The Company shall notify its creditors within 10 days of the date on which the division resolution is adopted, and shall publish the announcement within 30 days on the newspapers, media and website as stipulated in Article 181 of the Articles, or in the National Enterprise Credit Information Publicity System.

Article 187 The debts of a Company prior to its separation shall be jointly and severally liable to the Company after separation. However, unless otherwise agreed in the written agreement reached between the Company and the creditors on the settlement of debts before the separation.

Article 188 When the Company reduces its registered capital, it shall prepare the balance sheet and property list.

The Company shall notify its creditors within 10 days on which the shareholder's meeting makes the resolution on reducing the registered capital, and shall announce it on newspapers, media and website as stipulated in Article 181 of the Articles, or in the National Enterprise Credit Information Publicity System within 30 days. Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

If the Company reduces its registered capital, it shall reduce the corresponding capital contribution or shares on the basis of the proportion of shares held by shareholders, except as otherwise provided for by the laws or the Articles. The registered capital of the Company after the capital reduction shall not be lower than the statutory minimum limit.

Article 189 If the losses of the Company cannot be fully made up pursuant to paragraph two of Article 158 of the Articles, the Company may reduce its registered capital to make up losses. If losses are made up by reduction of the registered capital, the Company may neither distribute the reduction to the shareholders nor exempt the shareholders from the obligation of making capital contribution or payment for shares.

If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph two of Article 183 of the Articles shall not apply, but an announcement shall be made on the newspapers, media and website as stipulated in Article 181 of the Articles, or in the National Enterprise Credit Information Publicity System within 30 days from the date when the shareholders' meeting makes a resolution to reduce the registered capital.

After reducing its registered capital under the preceding two paragraphs, the Company shall not distribute profits before the cumulative amount of the statutory and discretionary reserve funds reaches 50% of the registered capital of the Company.

Article 190 Where the registered capital is reduced in violation of the Company Law and other relevant provisions, the shareholders shall return the funds received by them, and the original state shall be restored if shareholders are granted exemption from or reduction of capital contribution; if any loss is thus caused to the Company, the shareholders and liable directors and senior management personnel shall assume liability for compensation.

Article 191 If the Company offers new shares to increase its registered capital, shareholders do not have the preemptive rights to subscribe for new shares, except as otherwise prescribed in the Articles or unless the shareholders' meeting adopts a resolution to decide that shareholders have the preemptive rights to subscribe for new shares.

Article 192 If the Company merges or divides and the registered items are changed, it shall apply for change of registration with the company registration authority in accordance with the laws; if the Company is dissolved, it shall apply for cancellation of registration of the Company in accordance with the laws; if a new company is established, it shall apply for establishment registration of the Company in accordance with the laws.

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

Section 2 Dissolution and Liquidation

Article 193 The Company shall be dissolved for the following reasons:

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

If any of the causes of dissolution of the Company set out in the preceding paragraph occurs, the Company shall, within ten days, publish the cause of dissolution through the National Enterprise Credit Information Publicity System.

Article 194 In the event of the circumstances specified in Article 193 (I) and (II) of the Articles, and if the property has not been distributed to the shareholders, the Company may continue its existence by amending the Articles or by a resolution of the shareholders' meeting.

Amendments to the Articles or resolutions of the shareholders' meeting in accordance with the preceding paragraph must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting.

Article 195 If the Company is dissolved due to the reasons specified in Article 193 (I), (II), (IV) and (V) of the Articles, liquidation shall be conducted. Directors, as the liquidation obligors of the Company shall, within 15 days of occurrence of the cause of dissolution, form a liquidation committee to conduct liquidation.

The liquidation committee shall be composed of directors, except as otherwise prescribed in the Articles or unless any other person is selected through a resolution of the shareholders' meeting.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing any loss to the Company or any creditor, the liquidation obligors shall assume liability for compensation.

Article 196 The liquidation committee shall exercise the following functions and powers during the liquidation period:

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

Article 197 The liquidation committee shall notify creditors within 10 days of its establishment, and shall announce it on the newspapers, media and website as stipulated in Article 181 of the Articles, or in the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement. When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims. During the period of declaration of claims, the liquidation committee shall not repay the debts to creditors.

Article 198 After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders' meeting or the people's court at the place of the Company's registration for confirmation.

Article 199 The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts shall be distributed by the Company to the shareholders in proportion to the shares they hold. During liquidation, the Company shall continue to exist but shall not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

Article 200 If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court at the place of the Company's registration for bankruptcy liquidation in accordance with the laws.

After the people's court has accepted an application for bankruptcy, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the people's court.

Article 201 After the liquidation of the Company is completed, the liquidation committee shall prepare a liquidation report, submit it to the shareholders' meeting or the people's court at the place of the Company's registration for confirmation, and submit it to the company registration authority to apply for cancellation of the Company's registration.

Article 202 The members of the liquidation committee shall perform their liquidation duties and have the duty of loyalty and duty of diligence.

If the members of the liquidation group are negligent in performing their liquidation duties, causing any loss to the Company, they shall be liable for compensation; if the members of the liquidation committee cause losses to creditors due to intentional or gross negligence, they shall be liable for compensation.

Article 203 If the Company is declared bankrupt in accordance with the laws, the bankruptcy liquidation shall be carried out in accordance with the laws on enterprise bankruptcy.

CHAPTER X AMENDMENT TO THE ARTICLES OF ASSOCIATION

Article 204 In any of the following circumstances, the Company shall amend the Articles of Association:

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

Article 205 The matters regarding the amendment of the Articles approved by the resolutions of the shareholders' meeting shall be subject to the approval of the appropriate authorities if required; and if the items subject to Company registration are involved, the alteration registration shall be handled in accordance with the laws.

Article 206 The Board of Directors shall amend the Articles according to the resolution of the shareholders' meeting to amend the Articles and the opinions of the appropriate authorities expressed in their approvals.

Article 207 If the disclosure of information on any amendment to the Articles is required by laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed, the amendment shall be announced as required.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 208 Definitions

- (I) “Controlling shareholder” refers to a shareholder who holds more than 50% of the total share capital of the Company; or a shareholder whose shareholding ratio is no more than 50% but whose voting rights enjoyed by virtue of the shares held are sufficient to have a significant impact on the resolutions of the shareholders’ meeting, or a controlling shareholder as defined by the securities regulatory rules of the place where the Company’s shares are listed;
- (II) “Actual controller” refers to a natural person, legal person or other organization that can actually control the behavior of the Company through investment relationships, agreements or other arrangements;
- (III) “Affiliated relationship” refers to the relationship between the Company’s controlling shareholder, actual controller, directors, senior management personnel and the enterprises directly or indirectly controlled by them, as well as other relationships that may lead to the transfer of the Company’s interests. However, state-controlled enterprises are not affiliated merely because they are both controlled by the state.

Article 209 The Board of Directors may, in accordance with the provisions of the Articles of Association, formulate detailed rules for the Articles of Association. The detailed rules for the Articles of Association shall not conflict with the provisions of the Articles of Association.

Article 210 The Articles are written in Chinese. In case of any discrepancy between any other language version or different version of the Articles and the Articles, the Chinese version of the Articles last approved and registered with Ningbo Municipal Market Supervision and Administration Bureau shall prevail.

Article 211 In case of discrepancies between the Articles and laws, administrative regulations, other relevant normative documents, or the securities regulatory rules of the place where the Company’s shares are listed, the provisions of such laws, administrative regulations, other relevant normative documents, or the securities regulatory rules of the place where the Company’s shares are listed shall prevail.

Article 212 For the purposes of the Articles, “more than”, “within”, “not exceeding”, “shall not exceed”, and “up to” are inclusive of the number itself; “over”, “less than”, “more than”, and “after” are exclusive of the number itself.

Article 213 The Board of Directors of the Company shall be responsible for the interpretation of the Articles of Association, and their revision shall be reviewed and approved by the shareholders’ meeting of the Company.

NINGBO JOYSON ELECTRONIC CORP.
December 5, 2025