

Eastroc Beverage (Group) Co., Ltd.

Articles of Association



东鹏饮料

December 2025

Eastroc Beverage (Group) Co., Ltd.

Articles of Association

CHAPTER I GENERAL PROVISIONS

Article 1 In order to safeguard the legitimate rights and interests of the Company, its Shareholders, employees and creditors, and to regulate the organization and conduct of the Company, in accordance with the Company Law of the People's Republic of China (the “**Company Law**”), the Securities Law of the People's Republic of China (the “**Securities Law**”), the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Guidelines for Articles of Association of Listed Companies, the Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and other relevant provisions, the Articles of Association are formulated.

Article 2 Eastroc Beverage (Group) Co., Ltd. (the “**Company**”) is a joint stock limited company established in accordance with the Company Law and other relevant regulations.

The Company is a joint stock limited company established by Shenzhen Eastroc Beverage Industrial Co., Ltd. through an overall restructuring by converting the original book net asset value into shares. The Company is registered with the Shenzhen Administration for Market Regulation. We have obtained a business license with the business licence number 91440300192277214F.

Article 3 On April 30, 2021, the Company was approved by the China Securities Regulatory Commission (the “**CSRC**”) under the document [Zheng Jian Xu Ke [2021] No. 1572] to initially issue RMB40,010,000 ordinary shares to the public. On May 27, 2021, the Company was listed on the Shanghai Stock Exchange.

The Company's initial public offering of [•] overseas-listed foreign shares in Hong Kong, China (before the exercise of the over-allotment option in full) (“**H Shares**”) was filed with the CSRC on [•] and approved by The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange** ”) on [•], with the H Shares listed on the Main Board of the Hong Kong Stock Exchange on [•].

Article 4 The Company's registered name: 東鵬飲料（集團）股份有限公司.

The Company's English name: EASTROC BEVERAGE (GROUP) CO., LTD.

Article 5 Place of domicile of the Company: 1/F, Building 3, Zhongguan Honghualing Industry Western District, 142 Zhuguang North Road, Taoyuan Community, Nanshan District, Shenzhen.

Post code: 518000.

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

Article 7 The Company is a joint stock company with limited liability in perpetual existence.

Article 8 The legal representative of the Company is the chairman of the Board.

Where the Director or manager who serves 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 legal consequences of the civil activities conducted by the legal representative in the name of the Company shall be borne by the Company.

Limitations on the duties and powers of the legal representative imposed by the Articles of Association or by the Shareholders' meeting shall not be enforceable against bona fide counterparts.

If the legal representative causes damage to others as a result of the performance of his/her duties, the Company shall bear the civil liabilities. After the Company has assumed the civil liabilities, it may, in accordance with laws or the Articles of Association, recover compensation from the legal representative who is at fault.

Article 10 The entire assets of the Company shall be divided into equal shares, and the Shareholders shall be liable to the Company to the extent of the shares subscribed by them. The Company shall be liable for the Company's debts to the extent of its entire assets.

Article 11 The Articles of Association shall, from the date of its coming into effect, constitute a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and its Shareholders, and among the Shareholders, and shall be a legally binding document for the Company, its Shareholders, Directors, and senior management members. Pursuant to the Articles of Association, Shareholders may take legal action against Shareholders, the Directors, chief executive officer and other senior management members of the Company, and the Company. The Company may also take legal action against its Shareholders, Directors, chief executive officer and other senior management members.

Article 12 In the Articles of Association, senior management members refer to the chief executive officer, executive president, vice presidents, chief financial officer, secretary to the Board, and other personnel recognized by the Board.

Article 13 The Company shall, in accordance with the provisions of the Constitution of the Communist Party of China, establish organizations of the Communist Party of China and carry out Party activities. The Company shall provide necessary conditions for the activities of the Party organizations.

CHAPTER II BUSINESS OBJECTIVES AND SCOPE

Article 14 The business purpose of the Company: to operate with integrity as its foundation, to build “Eastroc” into a specialized regional brand for beverage production and sales, to create greater economic and social benefits, and to maximize Shareholders’ returns.

Article 15 After being registered in accordance with laws, the scope of business of the Company is:

General business: Food machinery and packaging materials sales and technical consulting; housing rental; e-commerce platform technology development and system development, e-government system development; information transmission, software and information technology services; computer software, information system software development, sales; information system design, integration, operation and maintenance; information technology consulting; integrated circuit design, research and development; enterprise management consulting (excluding restricted business); informatization solutions development and application; high reliability computing, intelligent network, mobile Internet, Internet of Things and other technologies and applications; network-based software service platform technology development, software development, testing services; information systems integration, technical consulting. (except for business prohibited by laws, administrative regulations and decisions of the State Council, restricted business can be operated only after obtaining a license); domestic trade (excluding goods for distribution or specially operated, controlled or sold); import and export business (except for business prohibited by laws, administrative regulations and decisions of the State Council, restricted business can be operated only after obtaining a license).

Licensed business: Wholesale of prepackaged food (beverages, non-alcoholic beverages, and packaged drinking water, excluding prepackaged foods that require reheating); wholesale of health food (Eastroc Super Drink only); general freight transportation; production and sale of beverages, non-alcoholic beverages, and packaged drinking water. Production and sale: health food and beverages (operates within the validity period with the license, specific business is subject to approval by the relevant authorities); wine and fine tea; production and processing: packaging containers for beverages; production and sale of bottled (barrel-packed) drinking water (natural drinking water); production and sale of other beverages (nutrient beverages); data mining, data analysis and data services; development of internet digital content; extraction, purification and sale of active ingredients in Chinese medicine.

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 16 Shares of the Company shall take the form of registered shares.

If the Company's share capital includes the shares with no voting rights, such shares shall include the words "no voting rights". If the Company's share capital includes the shares with different voting rights, each class of the shares (except for those attached with the most preferential voting rights) shall include the words "with restricted voting rights" or "with limited voting rights".

Article 17 The Company shall issue shares in accordance with the principles of openness, fairness, and impartiality. Each share of the same class shall have equal rights.

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

Article 18 The nominal value of shares issued by the Company is denominated in RMB, with a par value of RMB1 each. The shares issued by the Company listed on the Shanghai Stock Exchange are hereinafter referred to as "A Shares"; the shares issued by the Company listed on the Hong Kong Stock Exchange are hereinafter referred to as "H Shares".

Article 19 The A shares issued by the Company are deposited collectively at the Shanghai Branch of the China Securities Depository and Clearing Corporation Limited. The H shares issued by the Company may be deposited mainly with a nominee company under the Hong Kong Securities Clearing Company Limited in accordance with the laws and practices of securities registration and depository of the place of listing, or may be held by Shareholders in their own names.

Article 20 Each of the promoters of the Company, namely, Lin Muqin, Tianjin Junzheng Investment Management Partnership (Limited Partnership) (天津君正投資管理合夥企業(有限合夥)), Shenzhen Kunpeng Investment Development LP (Limited Partnership) (深圳市鯤鵬投資發展合夥企業(有限合夥)), Lin Mugang, Lin Daiqin, Cai Yunsheng, Chen Haiming (陳海明), Li Dawen, Chen Yimin, Liang Weichao (梁維釗), Li Zengyong, Qiu Hancai (邱漢財), Xiao Guanghua (肖光華), Huang Shambo (黃深博), Peng Dexin, Liu Meili, Zhai Xing (翟興), Yu Nan (于楠) contributed capital based on their respective interests in Shenzhen Eastroc Beverage Industrial Co., Ltd. at the time when Shenzhen Eastroc Beverage Industrial Co., Ltd. was wholly restructured into Eastroc Beverage (Group) Co., Ltd. The promoters of the Company, their numbers of shares subscribed, methods of capital contribution, shareholdings, and time of capital contribution are set out below:

No.	Promoter	Number of shares		Shareholdings (%)	Method of capital contribution	Time of capital contribution
		subscribed (no. of shares)				
1	Lin Muqin	198,967,411		56.8478	Net assets converted into shares	2018.1.31
2	Tianjin Junzheng Investment Management Partnership (Limited Partnership) (天 津君正投資管理合夥企 業(有限合夥))	35,000,000		10.0000	Net assets converted into shares	2018.1.31
3	Shenzhen Kunpeng Investment Development LP (Limited Partnership) (深圳市鯤鵬投資發展合 夥企業(有限合夥))	25,759,234		7.3598	Net assets converted into shares	2018.1.31
4	Lin Daiqin	20,885,866		5.9674	Net assets converted into shares	2018.1.31
5	Lin Mugang	20,885,866		5.9674	Net assets converted into shares	2018.1.31
6	Cai Yunsheng	9,282,607		2.6522	Net assets converted into shares	2018.1.31
7	Chen Haiming (陳海明)	6,961,955		1.9891	Net assets converted into shares	2018.1.31
8	Li Dawen	5,105,434		1.4587	Net assets converted into shares	2018.1.31
9	Chen Yimin	3,573,804		1.0211	Net assets converted into shares	2018.1.31
10	Liang Weichao (梁維釗)	3,480,978		0.9946	Net assets converted into shares	2018.1.31

No.	Promoter	Number of shares subscribed (no. of shares)	Shareholdings (%)	Method of capital contribution	Time of capital contribution
11	Yu Nan (于楠)	3,202,499	0.9150	Net assets converted into shares	2018.1.31
12	Zhai Xing (翟興)	3,202,499	0.9150	Net assets converted into shares	2018.1.31
13	Huang Shambo (黃深博)	2,320,652	0.6630	Net assets converted into shares	2018.1.31
14	Li Zengyong	2,320,652	0.6630	Net assets converted into shares	2018.1.31
15	Qiu Hancai (邱漢財)	2,320,652	0.6630	Net assets converted into shares	2018.1.31
16	Xiao Guanghua (肖光華)	2,320,652	0.6630	Net assets converted into shares	2018.1.31
17	Peng Dexin	2,320,652	0.6630	Net assets converted into shares	2018.1.31
18	Liu Meili	2,088,587	0.5967	Net assets converted into shares	2018.1.31
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Total		<u>350,000,000</u>	<u>100.0000</u>	—	—

Article 21 Upon completion of the H-share public offering (assuming the Over-allotment Option is not exercised), the total number of shares of the Company will be [•] shares, all of which will be ordinary shares, comprising A-share ordinary shares of [•] shares, representing [•]% of the Company's total share capital; and H-share ordinary shares of [•] shares, representing [•]% of the Company's total share capital.

Article 22 The Company or its subsidiaries (including affiliated enterprises of the Company) shall not provide financial assistance in the form of gift, advance, guarantee, compensation, loan, or others to persons who acquire shares in the Company or its parent company, except where the Company implements an employee stock ownership plan.

In the interests of the Company, and upon a resolution of the Shareholders' meeting or a resolution of the Board in accordance with the Articles of Association or as authorized by a Shareholders' meeting, and provided that the relevant procedures have been followed in accordance with applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed, the Company may provide financial assistance for others for the acquisition of shares in the Company or its parent company. However, the cumulative total amount of such financial assistance shall not exceed 10% of the total issued share capital. The resolutions of the Board are subject to approval by more than two-thirds of all Directors.

CHAPTER II INCREASE, DECREASE, AND REPURCHASE OF SHARES

Article 23 The Company may increase its capital by the following methods in accordance with the needs of its operation and development, in compliance with laws, regulations, and the rules of the securities regulatory authorities of the place where the Company's shares are listed, and upon a resolution passed by the Shareholders' meeting:

- (i) Issuing shares to non-specific objects;
- (ii) Issuing shares to specific objects;
- (iii) Distributing bonus shares to existing Shareholders;
- (iv) Converting capital reserve into share capital;
- (v) Other methods approved by laws, administrative regulations, the securities regulatory rules of the Company's place of listing, and those stipulated by the CSRC and approved by the Hong Kong Stock Exchange.

Article 24 The Company may reduce its registered capital. The reduction of the Company's registered capital shall be carried out in accordance with the procedures stipulated by the Company Law, the Hong Kong Listing Rules, other relevant regulations, and the Articles of Association.

Article 25 The Company may repurchase its own shares under the following circumstances in accordance with laws, administrative regulations, departmental rules, and the Articles of Association:

- (i) To reduce the Company's registered capital;
- (ii) To merge with another company holding the Company's shares;
- (iii) To use the shares for employee stock ownership plans or equity incentives;
- (iv) To repurchase shares from Shareholders who object to the resolutions on the Company's merger or division made by the Shareholders' meeting;
- (v) To use the shares for converting convertible corporate bonds issued by listed companies into shares;
- (vi) Where necessary to safeguard the Company's value and the rights and interests of Shareholders.

Except for the above circumstances, the Company shall not engage in activities of buying and selling its own shares.

Article 26 The Company may repurchase its own shares through public centralized trading or other methods recognized by laws, regulations, the securities regulatory rules of the Company's place of listing, and those recognized by the CSRC and the Hong Kong Stock Exchange.

The Company shall repurchase its own shares through public centralized trading under the circumstances specified in items (iii), (v), and (vi) under paragraph 1 of Article 25 of the Articles of Association.

Article 27 The Company shall repurchase its own shares upon a resolution of the Shareholders' meeting under the circumstances specified in items (i) and (ii) of Article 25 of the Articles of Association. The Company shall repurchase its own shares upon a resolution of the Board of Directors with the attendance of more than two-thirds of the Directors under the circumstances specified in items (iii), (v), and (vi) under paragraph 1 of Article 25 of the Articles of Association, provided that it complies with the applicable securities regulatory rules of the place where the Company's shares are listed.

After the Company repurchases its own shares in accordance with Article 25, it shall cancel the repurchased shares within 10 days from the date of repurchase under the circumstances specified in item (i) above; it shall transfer or cancel the repurchased shares within 6 months under the circumstances specified in items (ii) and (iv) above; and it shall transfer or cancel the repurchased shares within 3 years under the circumstances specified in items (iii), (v), and (vi) above, provided that the total number of shares held by the Company shall not exceed 10% of the total number of shares issued by the Company, and that it complies with the applicable securities regulatory rules of the place where the Company's shares are listed.

Notwithstanding the provisions above, if the applicable laws, regulations, other provisions of the Articles of Association, or the laws or securities regulatory authorities of the place where the Company's shares are listed have other provisions regarding the repurchase of the Company's shares as set out above, the Company shall comply with such provisions. The repurchase of the Company's H shares shall comply with the Hong Kong Listing Rules and other relevant laws, regulations, and regulatory provisions of the place where the Company's H shares are listed.

After the Company repurchases its own shares, it shall fulfill its information disclosure obligations in accordance with the Securities Law, the Hong Kong Listing Rules, and other applicable laws, regulations, and regulatory provisions of the place where the Company's shares are listed.

CHAPTER III TRANSFER OF SHARES

Article 28 The Company's shares shall be transferred in accordance with laws. All the transfers of H Shares shall adopt a written instrument of transfer in the usual or ordinary format or any other format accepted by the Board of Directors (including standard transfer format or form of transfer as prescribed by the Hong Kong Stock Exchange from time to time); such instrument of transfer may only be signed by hand or be affixed with a valid seal of the Company (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house as defined in relevant regulations that are in force from time to time under the laws of Hong Kong (hereinafter referred to as "**recognized clearing house**") or its agent, the instrument of transfer may be signed by hand or a machine-printed signature. All instruments of transfer shall be kept at the Company's legal address or at such other place as the Board of Directors may from time to time designate.

Article 29 The Company shall not accept any of its own shares as the subject of a pledge.

Article 30 Shares issued before the Company's public offering shall not be transferred within one year from the date the Company's shares were listed and traded on the Shanghai Stock Exchange.

Directors and senior management members of the Company shall report to the Company the shares (including preferred shares) they hold in the Company and any changes therein. During their term of office, they shall not transfer more than 25% of the total number of shares of the same class they hold in the Company each year; the shares they hold in the Company shall not be transferred within one year from the date the Company's shares are listed and traded. The above personnel shall not transfer the shares they hold in the Company within half a year after leaving their positions.

If laws, administrative regulations, or the listing 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 31 Shareholders, Directors, and senior management members who hold more than 5% of the Company's shares shall not sell the Company's shares or other equity securities they hold within six months after purchase, or purchase the Company's shares or other equity securities within six months after sale. Any profits obtained from such transactions shall belong to the Company, and the Company's Board of Directors shall recover such profits. However, this provision does not apply to securities companies that hold more than 5% of the Company's shares due to the purchase of remaining shares after underwriting, or other circumstances stipulated by the CSRC and the Hong Kong Stock Exchange.

The shares or other equity securities held by Directors, senior management members, and natural person Shareholders as mentioned in the preceding paragraph include those held by their spouses, parents, children, and those held in other people's accounts.

If the Company's Board of Directors fails to enforce the provisions of the first paragraph of this Article, Shareholders have the right to request the Board of Directors to enforce such provisions within 30 days. If the Board of Directors fails to do so within the above period, Shareholders have the right to directly file a lawsuit with the people's court in the name of the Company for the benefit of the Company.

If the Board of Directors fails to enforce the provisions of the first paragraph of this Article, the responsible Directors shall bear joint and several liability according to laws.

CHAPTER IV SHAREHOLDERS AND SHAREHOLDERS' MEETING

Section 1 General Provisions on Shareholders

Article 32 The Company shall establish a register of Shareholders based on the certificates provided by the securities registration institution. The register of Shareholders is conclusive evidence of Shareholders' ownership of the Company's shares. The original copy of the H share register of Shareholders shall be kept in Hong Kong; an entrusted overseas agency shall ensure the consistency between the original and duplicate registers of Shareholders of overseas listed shares at all times. The branch register of Shareholders in Hong Kong must be available for Shareholders to inspect, but the Company may suspend the registration of Shareholders in accordance with applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed. If any person whose name appears in the register of Shareholders or requests to register his or her name (title) in the register of Shareholders loses his/her Share certificates, he/she may apply to our Company to re-issue new Share certificates for those Shares. In the event a holder of unlisted shares applies to our Company for re-issuance after losing the Share certificates, the matter shall be dealt with pursuant to related provisions of the Company Law. In the event a holder of overseas-listed foreign shares applies to our Company for re-issuance after losing the Share certificates, the matter shall be dealt with pursuant to the laws and rules of the stock exchange where the original register of holders of overseas-listed foreign shares is kept, or other related provisions.

Shareholders shall enjoy rights and bear obligations according to the types of shares they hold; Shareholders holding the same type of shares shall enjoy equal rights and bear the same type of obligations.

Article 33 When the Company convenes a Shareholders' meeting, distributes dividends, commences liquidation, or participates in other activities which require the confirmation of the identity of Shareholders, the Board or the convenor of the Shareholders' meeting shall determine the record date, and Shareholders registered in the register after close of trading on the record date shall be entitled to the relevant rights.

Article 34 Shareholders of the Company shall enjoy the following rights:

- (i) To receive dividends and other forms of profit distribution according to the proportion of shares they hold;
- (ii) To request, convene, preside over, attend, or appoint a Shareholder proxy to attend the Shareholders' meeting and exercise corresponding speaking and voting rights;
- (iii) To supervise the Company's operations and make suggestions or inquiries;
- (iv) To transfer, donate, or pledge the shares they hold in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association;
- (v) To inspect and copy the Articles of Association, register of Shareholders, minutes of Shareholders' meetings, resolutions of the Board of Directors, financial statements, and accounting books and vouchers of the Company if they meet the requirements;
- (vi) To participate in the distribution of the Company's remaining assets according to the proportion of shares they hold when the Company is terminated or liquidated;
- (vii) To request the Company to repurchase their shares if they object to the resolutions on the Company's merger or division made by the Shareholders' meeting;
- (viii) Other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 35 Shareholders who request to inspect and copy the Company's relevant materials shall comply with the provisions of the Company Law, the Securities Law, and other laws and administrative regulations.

Article 36 If the content of the resolutions of the Shareholders' meeting or the Board of Directors violates laws or administrative regulations, Shareholders have the right to request the people's court to declare the resolutions invalid.

If the procedures for convening the Shareholders' meeting or the Board of Directors or the voting methods violate laws, administrative regulations, or the Articles of Association, or if the content of the resolutions violates the Articles of Association, Shareholders have the right to request the people's court to revoke the resolutions within 60 days from the date the resolutions are made. However, this does not apply if the procedures for convening the Shareholders' meeting or Board meeting, or their voting methods have only minor defects that do not have a substantive impact on the resolutions.

Where the Board, Shareholders and other relevant parties dispute the validity of a resolution of a Shareholders' meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgement or ruling, the relevant parties shall implement the resolution of the Shareholders' meeting, and no subject may refuse to implement the content of the resolution of the Shareholders' meeting on the ground that the resolution is invalid. The Company, its Directors and senior management members shall effectively perform their duties to ensure the normal operation of the Company.

In the event that the people's court makes a judgement or ruling on the relevant matters, the Company shall perform its information disclosure obligations in accordance with the laws and administrative regulations, the CSRC, as well as the requirements of the stock exchange where the Company's shares are listed, and the securities regulatory rules of the Company's place of listing, fully explain the impact, and actively cooperate with the execution of the judgement or ruling after it has come into effect. Where correction of prior period matters is involved, it will be handled in a timely manner and fulfil the corresponding information disclosure obligations.

Article 37 Resolutions of the Shareholders' meeting or Board meeting of the Company shall not be valid under any of the following circumstances:

- (i) No Shareholders' meetings or Board meetings have been convened to pass the resolution;
- (ii) The resolution is not voted on at a Shareholders' meeting or Board meeting;
- (iii) The number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association;
- (iv) The number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association.

Article 38 Where the Directors or senior management members who are not members of the Audit Committee violate the provisions of laws, administrative regulations or the Articles of Association in the performance of their duties and cause the Company to suffer losses, a Shareholder who holds 1% or more of the Company's shares individually or jointly for more than 180 days consecutively shall have the right to submit a written request to the Audit Committee to file a lawsuit with the people's court; where the Audit Committee violates the provisions of laws, administrative regulations or the Articles of Association in the performance of its duties and cause the Company to suffer losses, the above Shareholder may submit a written request to the Board to file a lawsuit with the people's court.

Upon receipt of a Shareholder's written request stipulated in the preceding paragraph, where the Audit Committee or the Board refuses to file a lawsuit or does not file a lawsuit within 30 days from receipt of the request, or in the event of an emergency where the interest of the Company will suffer irreparable damage if a lawsuit is not filed immediately, a Shareholder stipulated in the preceding paragraph shall have the right to file a lawsuit directly with the people's court in his/her own name in the interest of the Company.

In the event that the legitimate rights and interests of the Company are infringed by others and the Company suffers losses, a Shareholder stipulated in the first paragraph of this Article may file a lawsuit with the people's court pursuant to the provisions of the two preceding paragraphs.

If the Directors, supervisors or senior management members of a wholly-owned subsidiary of the Company perform their duties in violation of laws, administrative regulations or the provisions of the Articles of Association and cause losses to the Company, or if others infringe upon the lawful rights and interests of a wholly-owned subsidiary of the Company and cause losses, the Shareholders who have held individually or jointly more than 1% of the shares of the Company for a period of more than 180 consecutive days may, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, request in writing that the Supervisory Committee and the Board of the wholly-owned subsidiary file a lawsuit with the people's court or the Shareholders may file a lawsuit directly in their own name.

If a wholly-owned subsidiary of the Company does not have a supervisor, the provisions of the first and the second paragraph of this Article should be enforced.

Article 39 Where the Directors or senior management members violate the provisions of laws, administrative regulations or the Articles of Association and jeopardize the interests of Shareholders, the Shareholders may file a lawsuit with the people's court.

Article 40 Shareholders of the Company shall bear the following obligations:

- (i) To comply with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association;
- (ii) To pay the share price according to the shares they subscribed for and the method of subscription;
- (iii) Not to withdraw their capital except in circumstances stipulated by laws and regulations;
- (iv) Not to abuse Shareholders' rights to jeopardize the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal person and Shareholders' limited liability to jeopardize the interests of the Company's creditors;
- (v) Other obligations stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Shareholders who abuse their rights and cause losses to the Company or other Shareholders shall be liable for compensation in accordance with laws. Shareholders who abuse the Company's status as an independent legal person and Shareholders' limited liability to evade debts and seriously jeopardize the interests of the Company's creditors shall bear joint and several liability for the Company's debts.

Article 41 Where a Shareholder holding 5% or more voting shares of the Company pledges any shares in his/her possession, a written report shall be submitted to the Company on the date of the occurrence of the event.

Section 2 Controlling Shareholders and Actual Controllers

Article 42 The Company's Controlling Shareholders and actual controllers shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, the CSRC, the stock exchange where the Company's shares are listed, and the securities regulatory rules of the place where the Company's shares are listed, and shall safeguard the interests of the listed company.

Article 43 The Company's Controlling Shareholders and actual controllers shall comply with the following provisions:

- (i) To exercise Shareholders' rights according to laws and not to abuse control rights or use related relationships to damage the legitimate rights and interests of the Company or other Shareholders;
- (ii) To strictly fulfill the public statements and commitments made and not to change or waive them unilaterally;
- (iii) To strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in the work of information disclosure, and promptly inform the Company of significant events that have occurred or are about to occur;
- (iv) Not to appropriate the Company's funds in any way;
- (v) Not to force, instruct, or require the Company and its relevant personnel to provide guarantees in violation of laws and regulations;
- (vi) Not to use the Company's undisclosed material information to seek benefits, not to leak the Company's undisclosed material information in any way, and not to engage in insider trading, short-swing trading, and market manipulation or other activities in violation of laws and regulations;
- (vii) Not to damage the legitimate rights and interests of the Company and other Shareholders through unfair related-party transactions, profit distribution, asset restructuring, external investment, or any other means;
- (viii) To ensure the Company's asset integrity, personnel independence, financial independence, institutional independence, and business independence, and not to affect the Company's independence in any way;
- (ix) Other provisions stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the Company's Controlling Shareholders or actual controllers do not serve as Directors of the Company but actually carry out the Company's affairs, the provisions of the Articles of Association on Directors' fiduciary duties and duty of diligence shall apply.

If the Company's Controlling Shareholders or actual controllers instruct Directors or senior management members to engage in activities that jeopardize the interests of the Company or Shareholders, they shall bear joint and several liability with such Directors or senior management members.

Article 44 Controlling Shareholders and actual controllers who pledge shares of the Company held by them or at their actual disposal shall maintain the stability of the Company's control and its production and operations.

Article 45 Controlling Shareholders and actual controllers who transfer their shares in the Company shall comply with the restrictive provisions on the transfer of shares contained in the laws, administrative regulations, regulations of the CSRC and the stock exchange where the Company's shares are listed and their undertakings in respect of the restriction on the transfer of shares.

Section 3 General Provisions on Shareholders' Meeting

Article 46 The Shareholders' meeting is the Company's authority and shall exercise the following powers according to laws:

- (i) To elect and replace Directors and decide on matters related to Directors' remuneration;
- (ii) To examine and approve the Board of Directors' report;
- (iii) To examine and approve the Company's profit distribution plans and loss recovery plan;
- (iv) To make resolutions on the Company's increase or decrease of registered capital;
- (v) To make resolutions on the issuance of corporate bonds;
- (vi) To make resolutions on the Company's merger, division, dissolution, liquidation, or change of corporate form;
- (vii) To amend the Articles of Association;
- (viii) To make resolutions on the appointment and dismissal of accounting firms undertaking the Company's audit services;

- (ix) To examine and approve the guarantee matters stipulated in Article 47 of the Articles of Association;
- (x) To examine and approve matters related to the Company's purchase or sale of major assets exceeding 30% of the Company's total assets as of the latest audited financial statements within one year;
- (xi) To examine and approve changes in the use of raised funds;
- (xii) To examine and approve equity incentive plans and employee stock ownership plans;
- (xiii) To examine and approve other matters that should be decided by the Shareholders' meeting as stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the stock exchange where the Company's shares are listed (including but not limited to Chapter 14 and Chapter 14A of the Hong Kong Listing Rules), or the Articles of Association.

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

Article 47 The following external guarantee behaviors of the Company must be reviewed and approved by the Shareholders' meeting:

- (i) Any guarantee provided after the total external guarantees of the Company and its controlled subsidiaries exceed 50% of the Company's net assets as of the latest audited financial statements;
- (ii) Any guarantee provided after the total external guarantees of the Company exceed 30% of the Company's total assets as of the latest audited financial statements;
- (iii) Any guarantee provided within one year with a guarantee amount exceeding 30% of the Company's total assets as of the latest audited financial statements;
- (iv) Any guarantee provided to a guarantee object with a debt-to-asset ratio exceeding 70%;
- (v) Any single guarantee with an amount exceeding 10% of the Company's net assets as of the latest audited financial statements;
- (vi) Any guarantee provided to Shareholders, actual controllers, and their related parties;
- (vii) Other guarantee circumstances stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and normative documents.

External guarantees that should be approved by the Shareholders' meeting must be reviewed and approved by the Board of Directors before being submitted to the Shareholders' meeting for approval. When the Shareholders' meeting reviews the guarantee matters stipulated in items (ii) and (iii) of this Article, it must be approved by more than 2/3 of the voting rights held by the Shareholders present at the meeting. When the Shareholders' meeting reviews the guarantee matters stipulated in item (vi) of this Article, the Shareholders or the Shareholders controlled by the actual controller shall not participate in the voting, and the voting must be approved by more than half of the voting rights held by other Shareholders present at the meeting. If the Shareholders' meeting violates the approval authority and review procedures for external guarantees, the relevant Shareholders who violate the approval authority and review procedures shall bear joint and several liability.

Article 48 The Shareholders' meeting is divided into annual Shareholders' meetings and extraordinary Shareholders' meetings. The annual Shareholders' meeting shall be held once a year and shall be held within six months after the end of the previous fiscal year.

Article 49 Under any of the following circumstances, the Company shall hold an extraordinary Shareholders' meeting within two months from the date of occurrence:

- (i) When the number of Directors is less than the number stipulated by the Company Law or 2/3 of the number stipulated by the Articles of Association;
- (ii) When the Company's unrecovered losses reach 1/3 of the total share capital;
- (iii) When Shareholders who individually or jointly hold more than 10% of the Company's shares (including preferred shares with restored voting rights, etc.) request it;
- (iv) When the Board of Directors considers it necessary;
- (v) When the Audit Committee proposes to convene it;
- (vi) 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 of Association.

Article 50 The Company shall hold its Shareholders' meetings either at its domicile or another place arranged by the Board of Directors of the Company.

A venue shall be set up for the Shareholders' meeting and it shall be held in the form of an on-site meeting. The Company shall also provide Internet or others means to facilitate Shareholders' participation and voting in the Shareholders' meeting. Shareholders participating in the Shareholders' meeting by the above means shall be deemed to be present.

Article 51 The Company will engage a lawyer to issue a legal opinion on the following issues and make an announcement when the Shareholders' meeting is convened:

- (i) Whether the convening and convening procedures of the meeting are in compliance with the provisions of laws, administrative regulations and the Articles of Association;
- (ii) Whether the qualifications of the persons attending the meeting and the qualifications of the convenor are legal and valid;
- (iii) Whether the voting procedures and voting results are legal and valid;
- (iv) Legal opinions on other related issues at the request of the Company.

Section 4 Convening of Shareholders' Meeting

Article 52 The Board of Directors shall convene the Shareholders' meeting within the prescribed time limit.

With the consent of more than half of all independent Directors, independent Directors have the right to propose to the Board of Directors to convene an extraordinary Shareholders' meeting. Regarding the proposal from the independent Directors to convene an extraordinary Shareholders' meeting, the Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide written feedback on whether it agrees to convene an extraordinary Shareholders' meeting within 10 days of receiving the proposal. If the Board of Directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within 5 days of making the board resolution; if the Board of Directors does not agree to convene an extraordinary Shareholders' meeting, it shall explain the reasons and make an announcement.

Article 53 The Audit Committee has the right to propose to the Board of Directors to convene an extraordinary Shareholders' meeting and shall submit the proposal in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide written feedback on whether to agree to convene an extraordinary Shareholders' meeting within 10 days of receiving the proposal.

If the Board of Directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within 5 days of making the Board resolution, and any changes to the original proposal in the notice shall be agreed upon by the Audit Committee.

If the Board of Directors does not agree to convene an extraordinary Shareholders' meeting or fails to provide feedback within 10 days of receiving the proposal, it shall be deemed that the Board of Directors is unable or unwilling to perform its duties of convening the Shareholders' meeting, and the Audit Committee may convene and preside over the meeting on its own.

Article 54 Shareholders who individually or jointly hold more than 10% of the Company's total issued share capital (excluding the Company's treasury shares and including preferred shares with restored voting rights, etc.) have the right to request the Board of Directors to convene an extraordinary Shareholders' meeting and shall submit the request in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide written feedback within 10 days after receiving the request, indicating whether it agrees or disagrees to convene the extraordinary Shareholders' meeting.

If the Board of Directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within 5 days of making the board resolution, and any changes to the original request in the notice shall be agreed upon by the relevant Shareholders.

If the Board of Directors does not agree to convene an extraordinary Shareholders' meeting or fails to provide feedback within 10 days of receiving the request, Shareholders who individually or jointly hold more than 10% of the Company's total issued share capital (excluding the Company's treasury shares and including preferred shares with restored voting rights, etc.) have the right to propose to the Audit Committee to convene an extraordinary Shareholders' meeting and shall submit the request in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within 5 days of receiving the request, and any changes to the original request in the notice shall be agreed upon by the relevant Shareholders.

If the Audit Committee fails to issue the notice of the Shareholders' meeting within the prescribed time limit, it shall be deemed that the Audit Committee is unwilling to convene and preside over the Shareholders' meeting, and Shareholders holding more than 10% of the Company's total issued share capital (excluding the Company's treasury shares) (including preferred shares with restored voting rights, etc.) individually or jointly for more than 90 consecutive days may convene and preside over the meeting on their own.

Article 55 If the Audit Committee or Shareholders decide to convene the Shareholders' meeting on their own, they shall notify the Board of Directors in writing and file with the Shanghai Stock Exchange at the same time.

Before the announcement of the Shareholders' meeting resolution, the shareholding ratio of the convening Shareholders (including preferred shares with restored voting rights, etc.) shall not be less than 10% of the total issued share capital (excluding the Company's treasury shares).

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

Article 56 For Shareholders' meetings convened by the Audit Committee or by Shareholders on their own, the Board of Directors and the secretary to the Board shall cooperate. The Board of Directors shall provide the register of Shareholders as of the record date.

Article 57 The necessary expenses for the Shareholders' meeting convened by the Audit Committee or Shareholders on their own shall be borne by the Company.

Section 5 Proposals and Notices of the Shareholders' Meeting

Article 58 The content of the proposals shall fall within the scope of the authority of the Shareholders' meeting, contain clear topics and specific resolution matters, and comply 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.

Article 59 When the Company convenes a Shareholders' meeting, the Board of Directors, the Audit Committee, and Shareholders holding more than 1% of the Company's total issued share capital (excluding the Company's treasury shares and including preferred shares with restored voting rights, etc.) individually or jointly have the right to submit proposals to the Company.

Shareholders holding more than 1% of the Company's total issued share capital (excluding the Company's treasury shares and including preferred shares with restored voting rights, etc.) individually or jointly may submit temporary proposals in writing to the convenor 10 days before the Shareholders' meeting. The convenor shall issue a supplementary notice of the Shareholders' meeting within 2 days of receiving the proposal, announce the content of the temporary proposal, and submit the temporary proposal to the Shareholders' meeting for review. However, temporary proposals that violate laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, or do not fall within the scope of the authority of the Shareholders' meeting, shall be excluded.

Except for the circumstances stipulated in the preceding paragraph, the convenor shall not modify the proposals already listed in the notice of the Shareholders' meeting or add new proposals after issuing the notice of the Shareholders' meeting.

Proposals not listed in the notice of the Shareholders' meeting or not in compliance with the Articles of Association shall not be voted on or resolved at the Shareholders' meeting.

Article 60 The convenor shall notify all Shareholders in writing 21 days (including announcements) before the annual Shareholders' meeting and 15 days (including announcements) before the extraordinary Shareholders' meeting. If the Shareholders' meeting needs to be postponed due to the issuance of a supplementary notice of the Shareholders' meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the Shareholders' meeting shall be postponed in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Article 61 The notice of the Shareholders' meeting shall include the following content:

- (i) The time, place, and duration of the meeting;
- (ii) The matters and proposals to be reviewed at the meeting;
- (iii) A clear statement that all ordinary Shareholders (including preferred Shareholders with restored voting rights), Shareholders holding special voting rights shares and other Shareholders are entitled to attend the Shareholders' meeting and may appoint a proxy in writing to attend the meeting and vote, and the proxy does not need to be a Shareholder of the Company;
- (iv) The record date of Shareholders entitled to attend the Shareholders' meeting;
- (v) The name and phone number of the contact person for the meeting affairs;
- (vi) The time and procedure for voting by network or other means.

Article 62 If the Shareholders' meeting intends to discuss the election of Directors, the notice of the Shareholders' meeting will fully disclose the details of the candidates for Directors, including at least the following:

- (i) personal information such as educational background, work experience and part-time jobs;
- (ii) whether there is any connection with the Company or the Controlling Shareholders and actual controllers of the Company;

- (iii) disclosure of the number of shares held in the Company;
- (iv) whether he/she has been penalized by the CSRC and other relevant authorities and disciplined by the stock exchange where the Company's shares are listed;
- (v) Whether the qualifications for appointment are in compliance with the requirements of laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Except for the election of Directors by a cumulative voting system, each candidate for a Director shall be submitted as a separate proposal.

Article 63 After giving notice of a Shareholders' meeting, the meeting shall not be postponed or cancelled without a justifiable reason, and the proposals set out in the notice of the Shareholders' meeting shall not be cancelled. In the event of postponement or cancellation, the convenor shall make an announcement at least 2 business days prior to the scheduled date of the meeting and explain the reasons. Where the securities regulatory rules of the place where the Company's shares are listed contain special provisions on the procedures for adjournment or cancellation of a Shareholders' meeting, such provisions shall prevail to the extent that they do not contravene the domestic regulatory requirements.

Section 6 Holding of the Shareholders' Meeting

Article 64 The Board and other convenors of the Company shall take necessary measures to ensure the normal order of the Shareholders' meeting. With respect to acts of interference with Shareholders' meetings, provocation and infringement of the legitimate rights and interests of Shareholders, measures shall be taken to stop and promptly report to the relevant authorities for investigation and handling.

Article 65 All ordinary Shareholders (including preferred Shareholders with restored voting rights), Shareholders holding special voting rights shares registered on the record date and other Shareholders or their proxies are entitled to attend the Shareholders' meeting. They may attend the meeting in person or appoint a proxy to attend, speak, and vote in accordance with relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association (unless individual Shareholders are required to waive their voting rights on specific matters in accordance with the securities regulatory rules of the place where the Company's shares are listed).

Shareholders may attend Shareholders' Meetings in person or appoint one or more persons (who may or may not be Shareholders) to attend, speak and vote on their behalf.

Article 66 Individual Shareholders attending the meeting in person shall present their ID cards or other valid identification documents; if the Shareholders appoint a proxy to attend the meeting, the proxy shall present their own valid ID cards and a power of attorney for the Shareholder.

Corporate Shareholders shall be represented by the legal representative or a proxy authorized by the legal representative. The legal representative attending the meeting shall present their ID card and valid proof of their legal representative status; the proxy attending the meeting shall present their ID card and a written power of attorney issued by the legal representative of the corporate Shareholder, except for Shareholders who are a recognized clearing house as defined in the relevant laws and regulations in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the shares of the company are listed or its proxy.

Article 67 The proxy form shall be kept at the domicile of the Company or at such other place as specified in the notice of the meeting 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours prior to the time specified for voting. If the proxy form is signed by a person authorized by the principal to sign it, the authorization letter or other authorization documents authorizing the signature shall be notarised. The notarised authorization letter or other authorization documents together with the proxy form shall be kept at the domicile of the Company or at such other place as specified in the notice convening the meeting.

If the principal is a legal person, it shall be represented by its legal representative or a person authorized by the Board of Directors or other decision-making body to attend the Shareholders' meeting of the Company.

Article 68 The power of attorney for appointing a proxy to attend the Shareholders' meeting shall specify the following content:

- (i) The name or title of the principal and the class and number of shares held;
- (ii) The name or title of the proxy;
- (iii) Specific instructions of the Shareholder, including instructions to vote for, against, or abstain on each matter listed on the agenda of the Shareholders' meeting;
- (iv) The date of issuance and validity period of the power of attorney;
- (v) The signature (or seal) of the principal. If the principal is a corporate Shareholder, the corporate seal shall be affixed; if the overseas corporate Shareholder does not have a seal, it may be signed by a legally authorized person.

Article 69 If the power of attorney for proxy voting is signed by a person authorized by the principal, the authorization letter or other authorization documents authorizing the signature shall be notarized. The notarized authorization letter or other authorization documents and the proxy form shall be kept at the Company's domicile or at such other place specified in the notice of the meeting.

If the principal is a legal person, it shall be represented by its legal representative or a person authorized by the Board of Directors or other decision-making body to attend the Shareholders' meeting of the Company.

If the Shareholder is a recognized clearing house (or its proxy), the Shareholder may authorize one or more persons it deems appropriate to act as its representative or proxy at any Shareholders' meeting or creditors' meeting; however, if more than one person is authorized, the authorization letter shall specify the number and category of shares involved in the authorization for each authorized person, and the authorization letter shall be signed by an authorized person of the recognized clearing house. The authorized person may exercise the rights of the recognized clearing house (or its proxy) (without presenting shareholding certificates, notarized authorization, and/or further evidence of formal authorization) and shall enjoy the same statutory rights as other Shareholders, including the right to speak and vote, as if the person were an individual Shareholder of the Company.

Article 70 The Company shall be responsible for the preparation of a register of attendees at the meeting. The register shall contain the names (or names of entities), identity card numbers, numbers of shares with voting rights held or represented, and names (or names of entities) of proxies of the persons attending the meeting, among other details.

Article 71 The convenor and the lawyers engaged by the Company will jointly verify the legitimacy of the Shareholders' qualifications based on the register of Shareholders provided by the securities registration and clearing institution, and register the names of the Shareholders and the number of shares for which they hold voting rights. The registration of the meeting shall be terminated before the chairman of the meeting announces the number of Shareholders and proxies attending the meeting on-site and the total number of shares holding voting rights.

Article 72 If the Shareholders' meeting requires Directors and senior management members to attend the meeting, the Directors and senior management members shall attend and accept inquiries from Shareholders.

Article 73 The Shareholders' meeting shall be presided over by the chairman of the Board of Directors. If the chairman is unable or unwilling to perform his duties, a Director elected by more than half of the Directors shall preside over the meeting.

The Shareholders' meeting convened by the Audit Committee shall be presided over by the convenor of the Audit Committee. If the convenor of the Audit Committee is unable or unwilling to perform his duties, an Audit Committee member elected by more than half of the Audit Committee members shall preside over the meeting.

The Shareholders' meeting convened by Shareholders shall be presided over by the convenor or a representative elected by the convenors.

If the chairman of the meeting violates the rules of procedure during the Shareholders' meeting, and as a result, the Shareholders' meeting is unable to continue, the Shareholders' meeting may nominate a person to act as the chairman of the meeting with the consent of more than half of the voting rights held by the Shareholders present at the meeting, and such meeting shall continue.

Article 74 The Company shall formulate rules of procedure for Shareholders' meetings, specifying in detail the convening, holding and voting procedures for Shareholders' meetings, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meetings, minutes of the meetings and their signing, and public announcements, etc., as well as the principles of authorization by the Shareholders' meeting of the Board. The authorization shall be clear and specific. The rules of procedure for the Shareholders' meeting shall be prepared by the Board of Directors and approved by the Shareholders' meeting, and shall be appended to the Articles of Association.

Article 75 At the annual general meeting, the Board shall make a report to the Shareholders' meeting on their work in the past year. Each independent Director shall also present a work report.

Article 76 Directors and senior management members shall provide explanations and clarifications in response to inquiries and suggestions by Shareholders at Shareholders' meeting.

Article 77 The chairman of the meeting shall announce the number of Shareholders and proxies attending the meeting on-site and the total number of shares holding voting rights before the voting. The number of Shareholders and proxies attending the meeting on-site and the total number of shares holding voting rights shall be based on the registration of the meeting.

Article 78 There shall be minutes of the Shareholders' meeting, which shall be taken by the secretary to the Board.

The minutes shall record the following:

- (i) Time, place and agenda of the meeting and the name of the convenors;
- (ii) Names of the chairman of the meeting and the Directors, president, and senior management members present at the meeting;
- (iii) Number of Shareholders and proxies attending the meeting, the total number of shares holding voting rights and its proportion to the total number of shares of the Company;
- (iv) Consideration of each proposal, main points of speeches and voting results;
- (v) Shareholders' inquiries or suggestions and the corresponding replies or explanations;
- (vi) Names of lawyer and vote counters and scrutineers;
- (vii) Other contents that should be included in the minutes of the meeting as stipulated in the Articles of Association.

Article 79 The convenor shall ensure that the contents of the minutes are true, accurate and complete. The Directors, secretary to the Board, the convenor or his/her representative and the chairman of the meeting attending the meeting shall sign the minutes. The minutes shall be kept together with the signature book of the Shareholders attending the meeting on-site and the proxy form, and valid information of online voting and voting by other means for a period of not less than 10 years.

Article 80 The convenor shall ensure that the Shareholders' meeting is held continuously until final resolutions are formed. If the Shareholders' meeting is suspended or no resolution can 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 current Shareholders' meeting directly, and a timely announcement shall be made. At the same time, the convenor shall report to the Regional Office of the CSRC and the stock exchange in the place of domicile of the Company.

Section 7 Voting and Resolutions at the Shareholders' Meeting

Article 81 Resolutions of the Shareholders' meeting are divided into ordinary resolutions and special resolutions.

An ordinary resolution of the Shareholders' meeting shall be passed by more than half of the voting rights held by the Shareholders (including their proxies) present at the meeting.

A special resolution of the Shareholders' meeting shall be passed by more than 2/3 of the voting rights held by the Shareholders (including their proxies) present at the meeting.

Article 82 The following matters shall be passed by the Shareholders' meeting as ordinary resolutions:

- (i) The work report of the Board of Directors;
- (ii) The profit distribution plans and loss recovery plan proposed by the Board of Directors;
- (iii) The appointment and dismissal of Board members and their remuneration and payment methods;
- (iv) Matters other than those that shall be passed by a special resolution, as stipulated by laws, administrative regulations, the securities regulatory rules of the Company's place of listing, or the Articles of Association.

Article 83 The following matters shall be passed by the Shareholders' meeting as special resolutions:

- (i) The increase or decrease of the Company's registered capital;
- (ii) The division, split, merger, dissolution, and liquidation of the Company;
- (iii) Amendments to the Articles of Association;
- (iv) The Company's purchase or sale of major assets or provision of guarantees to others exceeding 30% of the Company's total assets as of the latest audited financial statements within one year;
- (v) Equity incentive plans;

- (vi) Other matters stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, as well as matters determined by an ordinary resolution of the Shareholders' meeting to have a significant impact on the Company and require approval by a special resolution.

Article 84 Shareholders (including Shareholder proxies) shall exercise their voting rights based on the number of voting shares they represent, with each share having one vote, except for Shareholders of different classes of shares. During a poll, Shareholders (including Shareholder proxies) entitled to two or more votes need not cast all of their votes in favor of, against or abstain from voting.

When the Shareholders' meeting reviews major matters affecting the interests of small and medium investors, the votes of small and medium investors shall be counted separately. The results of the separate vote count shall be disclosed in a timely manner.

The Company's own shares held by the Company do not have voting rights, and such shares shall not be counted in the total number of voting shares present at the Shareholders' meeting.

According to applicable laws and regulations and the Hong Kong Listing Rules, if any Shareholder is required to waive their voting rights on a resolution or is restricted to only voting for (or against) a resolution, the votes cast by such Shareholder or their representative in violation of the relevant provisions or restrictions shall not be counted in the total number of voting shares.

If a Shareholder's purchase of shares with voting rights of the Company violates paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised and such shares shall not be counted towards the total number of shares with voting rights present at the Shareholders' meeting within 36 months after the purchase.

The Company's Board of Directors, independent Directors, Shareholders holding more than 1% of the voting shares, or investor protection agencies established in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or of the CSRC may publicly solicit Shareholders to authorize them to attend Shareholders' meeting and to exercise on their behalf the right to propose resolutions, voting rights, and other Shareholders' rights. Except as otherwise provided by laws and regulations, neither the Company nor the convenor of the Shareholders' meeting shall impose any conditions on parties who so solicit. The solicitation of Shareholders' rights shall be conducted on a gratuitous basis, and the solicitation shall fully disclose to the solicited parties all information necessary for the Shareholders to grant such authorization. The solicitation of Shareholders' rights shall not be for consideration or a disguised form of consideration.

Article 85 When the Shareholders' meeting reviews related-party transactions, related Shareholders shall not participate in the voting, and the number of voting shares they represent shall not be counted in the total number of valid votes; the announcement of the Shareholders' meeting resolution shall fully disclose the details of the votes by non-related Shareholders.

Article 86 Unless the Company is in a crisis or under any special circumstances, the Company shall not enter into contracts with any person other than a Director, chief executive officer, and other senior management members under which the management of the Company's entire or important business will be given to that person without approval by a special resolution at the Shareholders' meeting.

Article 87 The list of candidates for the position of Director shall be submitted to the Shareholders' meeting for voting by way of a proposal.

When the Shareholders' meeting votes on the election of Directors, it may, pursuant to the Articles of Association or a resolution of the Shareholders' meeting, do so by cumulative voting.

Cumulative voting shall be adopted to elect two or more independent Directors at the Shareholders' meeting.

The nomination methods and procedures for Director candidates are as follows:

- (i) The first session of Director candidates shall be nominated by promoters; the next session of Director candidates shall be nominated by the previous session of Board of Directors and Shareholders who hold more than 3%, individually or jointly, of the Company's total shares with voting right.
- (ii) Where Shareholders nominate a Director, they shall submit the proposal, detailed information of the nominated candidate, and the candidate's declaration and commitment to the Board of Directors before the Shareholders' meeting.

The Board of Directors shall inform the Shareholders of the resume and basic information of the Directors to be elected.

When a Shareholders' meeting votes on the election of Directors, if the proportion of shares in which a Shareholder acting alone or in concert with others is interested is 30% or more of the Company's shares, the cumulative voting system shall be implemented. The cumulative voting system referred to in the preceding paragraph means that when a Shareholders' meeting elects Directors, each share carries the same number of voting rights as the number of Directors to be elected. Shareholders may concentrate their votes on one or more candidates. The specific implementation follows the Regulations for the Implementation of Cumulative Voting of Eastroc Beverage (Group) Co., Ltd.

Article 88 Except for the cumulative voting system, the Shareholders' meeting will vote on all proposals one by one, and if there are different proposals on the same matter, the proposals will be voted on in the order in which they were submitted. Unless the Shareholders' meeting is adjourned or no resolution is passed due to special reasons such as force majeure, the Shareholders' meeting will not set aside or refrain from voting on the proposals.

Article 89 When the Shareholders' meeting considers a proposal, the proposal will not be amended; otherwise, such change shall be considered as a new proposal and cannot be voted on at the same Shareholders' meeting.

Article 90 The same voting right may only choose one of the on-site, internet or other voting methods. In the event of duplicate voting of the same voting right, the result of the first vote shall prevail.

Article 91 The Shareholders' meeting shall be held by open ballot.

Article 92 Before a Shareholders' meeting votes on a proposal, two Shareholders' representatives shall be elected to count and scrutinize the votes. Where the matters under consideration are related to Shareholders, the relevant Shareholders and proxies shall not participate in the counting of votes or the scrutiny of votes.

When a Shareholders' meeting votes on a proposal, lawyers and a Shareholder representatives shall be jointly responsible for counting and scrutinizing the votes and announcing the voting results on the spot. The voting results of the resolution shall be recorded in the minutes of the meeting.

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

Article 93 The conclusion of the on-site Shareholders' meeting shall not be earlier than that of the online meeting or other forms of meeting. The chairman of the meeting shall announce the details of the votes and voting results of each proposal, and whether or not the proposals are passed based on the voting results.

Before the official announcement of the voting results, the Company, the persons responsible for counting and scrutinizing the votes, Shareholders, network services provider and other relevant parties involved in the on-site meeting, online meeting or other forms of meeting shall be under an obligation to keep the details of the votes strictly confidential.

Article 94 Shareholders attending the general meeting shall express one of the following opinions on the proposals submitted for voting: for, against, or abstain. This requirement does not apply to securities registry and clearing institution acting as the nominal holder of shares under the Stock Connect between Mainland and Hong Kong mechanism, or to a recognized clearing house or its agent acting as a nominal holder as defined in the relevant ordinances in force from time to time under the laws of Hong Kong, provided that declarations are made in accordance with the instructions of the beneficial owners.

Unfilled, incorrectly filled, illegible or uncast votes will be regarded as the voters having given up their voting rights and the voting results of the shares held by them shall be counted as “abstention”.

Article 95 The chairman of the meeting may organize a count of the votes cast if he/she has any doubt as to the voting results of a resolution; if the chairman of the meeting fails to have the votes counted, Shareholders or Shareholder proxies present at the meeting who disagree with the result announced by the chairman of the meeting shall have the right to request for counting the votes immediately after the announcement of the voting results, and the chairman of the meeting shall organize the counting the votes immediately.

Article 96 Resolutions of a Shareholders’ meeting shall be announced in a timely manner, and the announcement shall set out the number of Shareholders and proxies attending the meeting, the total number of shares holding voting rights and their proportion to the total number of voting shares of the Company, the voting methods, the voting results of each proposal and the details of each resolution adopted.

Article 97 If the 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 98 If a resolution is passed in a Shareholders’ meeting in relation to the election of Directors, the appointment of the newly elected Directors shall take effect on the date the resolution is passed.

Article 99 In the event that the Shareholders’ meeting approves a proposal for cash distribution, share dividends or capitalisation of capital surplus, the Company will implement the specific proposal within 2 months after the Shareholders’ meeting. If it is not possible to implement the specific proposal within 2 months in accordance with the provisions of laws and regulations and the securities regulatory rules of the place where the Company’s shares are listed, the date of implementation of the specific proposal may be adjusted accordingly based on such provisions and the actual circumstances.

CHAPTER V DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions on Directors

Article 100 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 operational management positions in the Company. Independent Directors refer to individuals who meet the requirements stipulated in Article 128 of the Articles of Association.

Directors of the Company shall be natural persons. A person with any of the following circumstances shall not serve as a Director of the Company:

- (i) Having no capacity for civil conduct or limited capacity for civil conduct;
- (ii) Having been sentenced to a criminal penalty for corruption, bribery, infringement of property, misappropriation of property, or disrupting the socialist market economic order, or having had his/her political rights deprived as a result of committing a criminal offence, and less than 5 years have elapsed since the expiry of the execution period, or if on probation, less than 2 years have elapsed since the expiry of the probation period;
- (iii) Having served as a Director, factory Director, or manager of a company or enterprise undergoing bankruptcy liquidation and being personally liable for the bankruptcy of such company or enterprise, and less than 3 years have elapsed since the completion of the bankruptcy liquidation of such company or enterprise;
- (iv) Having served as the legal representative of a company or enterprise whose business license has been revoked or has been ordered to close down due to illegal activities and being personally liable, and less than 3 years have elapsed since the revocation of the business license or the order to close down of such company or enterprise;
- (v) Having been listed by the people's court as a dishonest person subject to enforcement due to failure to repay a substantial amount of personal debt when due;
- (vi) Having been subject to a securities market ban imposed by the CSRC prohibiting the said person from serving as a director or senior management member of a listed company, and the period of such ban has not yet expired;
- (vii) Having been publicly determined by a stock exchange as unsuitable to serve as a director or senior management member of a listed company, and the period of such determination has not yet expired;

(viii) Other circumstances stipulated by laws, administrative regulations, or departmental rules.

The Nomination Committee of the Board of Directors shall review whether the Director candidates meet the qualifications requirements. When the Company discloses information of Director candidates, it shall simultaneously disclose review comments of the Nomination Committee of the Board of Directors. Elections or appointments of Directors that violate the provisions of this Article shall be invalid.

If a Director becomes subject to any of the circumstances set forth in this Article during the Director's term of office, the Director shall immediately cease to perform duties. Where the Board of Directors becomes aware or ought to have become aware of the occurrence of such an event, the Board of Directors shall immediately remove the Director in accordance with the regulations. The Nomination Committee of the Board of Directors shall assess the qualification of Directors, and where it finds that a Director does not meet the qualification requirements, it shall promptly make a recommendation to the Board of Directors for removal.

Article 101 Directors not appointed as employee representative Directors shall be elected or replaced by the Shareholders' meeting and may be removed from their positions by an ordinary resolution of the Shareholders' meeting before the expiry of their term, provided that such removal complies with the relevant applicable laws, administrative regulations, departmental rules, normative documents, and the provisions of the Hong Kong Listing Rules (however, such removal shall not affect the Director's right to claim damages under any contract). The term of office for Directors is three years, and upon the expiry of their term, they may be re-elected in accordance with the securities regulatory rules of the place where the Company's shares are listed.

The term of a Director is calculated from the date of assuming office until the expiry of the current Board of Directors' term. If the term of office expires and a re-election is not conducted in a timely manner, the original Directors shall continue to perform their duties as Directors in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association until the newly elected Directors assume office. Subject to compliance with applicable laws, regulations, and regulatory rules in Hong Kong, any person appointed by the Board of Directors to fill a temporary vacancy or increase the number of Directors on the Board shall serve only until the first annual Shareholders' meeting after their appointment and shall be eligible for re-election at that time.

A Director may also hold the position of chief executive officer or other senior management positions, but the total number of Directors who also serve as chief executive officer or other senior management members together with Directors who are employee representatives, shall not exceed 1/2 of the total number of Directors of the Company.

Article 102 Directors shall comply 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, and shall bear fiduciary duties to the Company. Directors shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not make use of their powers to gain undue advantage.

Directors shall bear the following fiduciary duties to the Company:

- (i) Shall not infringe upon the property or misappropriate the funds of the Company;
- (ii) No Company's funds shall be deposited in an account in his/her personal name or in the name of others;
- (iii) Shall not use his/her official position to bribe or receive other illegal income;
- (iv) No contract or transaction shall be entered into directly or indirectly with the Company without being reported to the Board or the Shareholders' meeting and approved by a resolution of the Board or the Shareholders' meeting in accordance with the provisions of the Articles of Association;
- (v) Shall not make use of the convenience of his/her position to seek for himself/herself or others business opportunities that should belong to the Company, except when such business opportunities are reported to the Board or the Shareholders' meeting and approved by a resolution of the Shareholders' meeting, or when the Company is unable to make use of such business opportunities in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association;
- (vi) No business of the same kind as that of the Company shall be conducted on his/her own account or for others without reporting to the Board or the Shareholders' meeting and a resolution passed by the Shareholders' meeting;
- (vii) Shall not appropriate for his/her own use commissions received by others from transactions with the Company;
- (viii) Shall not disclose company secrets without authorization;
- (ix) Shall not take advantage of his/her related relationships to the detriment of the Company's interests;
- (x) Other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Income derived by a Director in violation of the provisions of this Article shall belong to the Company; if it causes losses to the Company, the Director shall be liable for compensation.

The provisions of sub-paragraph (iv) of paragraph 2 of this Article shall apply to the conclusion of contracts or transactions with the Company by close relatives of the Directors or senior management members, enterprises directly or indirectly controlled by the Directors or senior management members or their close relatives, as well as other related parties with whom the Directors or senior management members have other related relationships.

A Director who, by taking advantage of his/her position, seeks to obtain for personal benefit or for the benefit of another person any business opportunities that belong to the Company, or who engages in or operates for him/herself or another person, any business of the same kind as that of the Company, shall report the matter to the Board of Directors or the Shareholders' meeting. The Director shall fully explain the reasons, the measures to prevent conflicts of interest with the Company, the impact on the Company, amongst and shall make disclosures accordingly. The Company shall review such matters in accordance with the procedures stipulated in the Articles of Association.

Article 103 Directors shall comply 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. Directors shall owe a duty of diligence to the Company, and shall, in performing their duties, exercise the reasonable care that is usually expected of an administrator who acts in the best interest of the Company.

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

- (i) Exercise the rights granted by the Company prudently, conscientiously and diligently to ensure that the Company's business practices are in compliance with laws and administrative regulations of the State, the securities regulatory rules of the place where the Company's shares are listed, as well as the requirements of various national economic policies, and that the business activities do not exceed the scope of business specified in the business license;
- (ii) Treat all Shareholders fairly;
- (iii) Keeping abreast of the status of the Company's business operations and management;
- (iv) Shall sign a written confirmation of the Company's periodic reports, and ensure that the information disclosed by the Company is true, accurate and complete;
- (v) Shall truthfully provide the Audit Committee with relevant information and data, and shall not impede the Audit Committee in the exercise of their powers;

- (vi) Other duties of diligence stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 104 A Director who fails to attend two consecutive Board meetings in person and does not delegate another Director to attend the Board meeting shall be deemed unable to fulfil his/her duties and the Board shall recommend to the Shareholders' meeting to remove him/her from the position. If an independent Director fails to attend two consecutive Board meetings in person and does not delegate another independent Director to attend the Board meeting on his/her behalf, the Board shall, within thirty days from the date of occurrence of such an event, propose to convene a Shareholders' meeting to remove the independent Director from his/her position.

Article 105 A Director may resign before the expiry of his/her term of office. The resigning Director shall submit a written resignation report to the Board, and the resignation shall take effect on the date of receipt of the resignation report by the Company, and the Board shall disclose the relevant information within the period required by the regulatory rules of the place where the Company's shares are listed. In the event that the Board of the Company falls below the minimum number required by laws as a result of the resignation of a Director, the resigning Director is still required to perform the duties of a Director in accordance with the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association until the re-elected Director assumes office.

Article 106 The Company shall establish a system to manage the departure of Directors, specifying safeguards for pursuing and recovering liability in respect of unfulfilled public commitments and other outstanding matters. A Director's liabilities arising from the performance of his/her duties during his/her term of office shall not be waived or terminated as a result of his/her departure. Any commitments unfulfilled at the time of a Director's departure shall continue to be carried out. The Company shall review whether a departing Director has any outstanding obligations or unfulfilled commitments, and whether the departing Director is suspected of any violations of laws or regulations.

Article 107 The Shareholders' meeting may resolve to dismiss a Director, and the dismissal shall take effect on the date of the resolution.

If a Director is dismissed before the expiry of his/her term of office without a legitimate reason, the Director may request the company to compensate him or her.

Article 108 No Director may act in his/her personal capacity on behalf of the Company or the Board without lawful authorization as provided in the Articles of Association or by the Board. When a Director acts in his/her personal capacity, he/she shall declare his/her position and identity in advance in cases where a third party would reasonably believe that the Director is acting on behalf of the company or the Board.

Article 109 The Company shall be liable for any damage caused to others by a Director in the performance of his/her duties for the Company; the Director shall also be liable for compensation with regards to any intentional misconduct or gross negligence on his/her part.

If a Director violates 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 of Association in the performance of his/her duties for the Company, and causes damage to the Company, the Director shall be liable for compensation.

Article 110 When a Director's resignation takes effect or his/her term of office expires, the Director shall complete all handover procedures with the Board. The Director's fiduciary duties to the Company and Shareholders shall remain in effect for a period of 2 years after the expiry of his/her term of office, except that his/her obligation of confidentiality with respect to the Company's trade secrets shall not be limited to a period of 2 years until the secrets become public information.

Section 2 Board of Directors

Article 111 The Company shall establish a Board of Directors, which shall be accountable to the Shareholders' meeting. The Board of Directors shall consist of no fewer than 9 Directors, including 1 chairman, no fewer than 3 independent Directors, and 1 employee representative Director.

Article 112 The Board of Directors shall exercise the following powers and duties:

- (i) Convening the Shareholders' meeting and reporting to the Shareholders' meeting;
- (ii) Implementing the resolutions of the Shareholders' meeting;
- (iii) Deciding on the Company's business plans and investment proposals;
- (iv) Formulating the Company's profit distribution plans and loss recovery plans;
- (v) Formulating plans for the Company's increase or decrease of registered capital, issuance of bonds or other securities, and listing;
- (vi) Drafting plans for major acquisitions, repurchases of the Company's shares, mergers, divisions, dissolution, or changes in the Company's form;
- (vii) Deciding on matters such as external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, related-party transactions, and external donations within the scope authorized by the Shareholders' meeting;

- (viii) Deciding on the establishment of the Company's internal management structure;
- (ix) Deciding on the appointment or dismissal of the managers of the Company, the secretary to the Board, and other senior management members, and determining their remuneration and rewards or penalties; based on the managers' nomination, deciding on the appointment or dismissal of the deputy managers of the Company, chief financial officer, and other senior management members, and determining their remuneration and rewards or penalties;
- (x) Formulating the Company's basic management systems;
- (xi) Drafting amendments to the Articles of Association;
- (xii) Managing the Company's information disclosure matters;
- (xiii) Proposing to the Shareholders' meeting the appointment or replacement of the accounting firm responsible for auditing the Company;
- (xiv) Listening to the work reports of the chief executive officer and reviewing the chief executive officer's work;
- (xv) Other powers and duties granted by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 113 The Board of the Company shall give an explanation to the Shareholders' meeting on the non-standard audit opinion issued by the certified public accountants on the financial statements of the Company.

Article 114 The Board has formulated the rules of procedure of the Board to ensure that the Board implements the resolutions of the Shareholders' meeting, improves work efficiency and ensures scientific decision-making.

Article 115 The Board of Directors shall determine the scope of authority of the Company's external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, related-party transactions, and external donations, and establish strict review and decision-making procedures. Major investment projects shall be evaluated by relevant experts and professionals and submitted to the Shareholders' meeting for approval.

The transactions that shall be approved by the Board of Directors are listed below:

- (i) To review and approve external guarantee matters of the Company that are governed by laws, regulations and the laws and regulations of the place where the Company's shares are listed, as well as the Hong Kong Listing Rules and the Articles of Association, except those that are to be reviewed by the Shareholders' meeting.
- (ii) To review and approve major transactions and related-party transactions that should be reviewed by the Board of Directors in accordance with the requirements of the listing rules of the places where the Company's securities are listed.

If the Board of Directors violates the approval authority and review procedures for external guarantees, the relevant Directors who violate the approval authority and review procedures shall bear joint and several liability.

Article 116 The Board of Directors shall have 1 chairman. The chairman shall be elected by a majority vote of all Directors and shall serve a term of 3 years. The chairman is eligible for re-election.

Article 117 The chairman shall exercise the following powers and duties:

- (i) Preside over the Shareholders' meeting and convene and preside over Board meetings;
- (ii) Supervise and inspect the implementation of Board resolutions;
- (iii) Other powers and duties granted by the Board of Directors.

Article 118 If the chairman of the Company is unable or unwilling to perform his duties, a Director elected by more than half of the Directors shall perform such duties.

Article 119 The Board of Directors shall hold at least 4 meetings each year, convened by the chairman, with written notice provided to all Directors at least 14 days before the meeting.

Article 120 Shareholders representing more than 1/10 of the voting rights, 1/3 of the 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 such a proposal.

Article 121 Extraordinary Board meetings may be convened by giving notice to all Directors at least 3 days before the meetings via courier, post, facsimile, e-mail, etc.

Article 122 The notice of the Board meeting shall include the following:

- (i) Date and place of the meeting;
- (ii) Duration of the meeting;
- (iii) Subject matter and issues;
- (iv) Date of issuance of notice.

Article 123 A Board meeting shall require the attendance of more than half of the Directors to be valid. Resolutions of the Board of Directors shall require the approval of more than half of all Directors.

Each Director shall have one vote for the Board resolution.

Article 124 If a Director has a related relationship with the enterprise or individual involved in a Board resolution, the Director shall promptly report in writing to the Board of Directors. The Director with such a relationship shall not vote on the resolution or act as a proxy for another Director to vote. The Board meeting may proceed with the attendance of more than half of the non-related Directors, and resolutions shall require the approval of more than half of the non-related Directors. If the number of non-related Directors attending the Board meeting is less than 3, the matter shall be submitted to the Shareholders' meeting for review. If laws, regulations, or securities regulatory rules of the place where the Company's shares are listed impose additional restrictions on Directors' participation in Board meetings and voting, such provisions shall prevail.

Article 125 Resolutions of the Board of Directors are voted by written open ballot.

Extraordinary meetings of the Board of Directors may be held by means of teleconferencing, video conferencing, facsimile, data message, etc., and Directors attending the meeting shall sign on such resolutions, provided that the Directors are ensured to be able to express their opinions fully.

Article 126 Board meetings shall be attended by Directors in person. If a Director is unable to attend, they may appoint another Director in writing to vote on behalf of and in accordance with the intentions of the authorizing Director. The written appointment shall specify the name of the proxy, the matters to be represented, the scope of authority, and the validity period, and shall be signed or sealed by the appointing Director. The proxy shall exercise the Director's rights within the scope of authority. The authorizing Director shall bear legal responsibility independently. Independent Directors shall not authorize non-independent Directors to vote on their behalf. If a Director does not attend the board meeting and does not appoint a proxy to attend, they shall be deemed to have waived their voting rights at that meeting. When considering matters submitted to the Board of Directors for decision-making, Directors shall collect sufficient relevant information and exercise prudent judgment as to whether the matters involve their own interests, whether they fall within the authority of the Board of Directors, whether the materials are adequate, and whether the voting procedures are lawful, amongst other considerations.

Article 127 The Board of Directors shall keep the minutes of the decisions on the matters discussed at the meeting, and Directors attending the meeting shall sign on the minutes.

The minutes of Board's meetings are kept as company files for a period of not less than 10 years.

Article 128 The minutes of the Board meetings shall include the following:

- (i) Date and place of the meeting and the name of the convenor;
- (ii) Names of the Directors present and the names of the Directors (proxies) who have been delegated to attend the Board;
- (iii) Agenda of the meeting;
- (iv) Main points of Directors' speeches;
- (v) The voting methods and results for each resolution (the voting results shall indicate the number of votes for and against the proposal or abstention).

Section 3 Independent Directors

Article 129 Independent Directors shall diligently perform their duties in accordance with laws, administrative regulations, as well as requirements of the CSRC, the stock exchange where the Company's shares are listed, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association. They shall play a role in decision-making, supervision, and professional consultation within the Board of Directors, safeguarding the overall interests of the Company, and protecting the legitimate rights and interests of minority Shareholders.

Article 130 Independent Directors must maintain independence. The following persons shall not serve as independent Directors:

- (i) Persons employed by the Company or its affiliated enterprises, as well as their spouses, parents, children, and major social relations;
- (ii) Natural persons who directly or indirectly hold more than 1% of the Company's issued shares or are among the top ten Shareholders of the Company, as well as their spouses, parents, and children;
- (iii) Persons employed by Shareholders who directly or indirectly hold more than 5% of the Company's issued shares or are among the top five Shareholders of the Company, as well as their spouses, parents, and children;
- (iv) Persons employed by affiliated enterprises of the Company's Controlling Shareholders or actual controllers, as well as their spouses, parents, and children;
- (v) Persons who have significant business dealings with the Company, its Controlling Shareholders, actual controllers, or their respective affiliated enterprises, or who are employed by entities that have significant business dealings with the Company, and their Controlling Shareholders or actual controllers;
- (vi) Persons who provide financial, legal, consulting, or underwriting services to the Company, its Controlling Shareholders, actual controllers, or their respective affiliated enterprises, including but not limited to project team members, reviewers, signatories, partners, Directors, senior management members, and principal responsible persons of intermediary institutions providing such services;
- (vii) Persons who have had any of the circumstances listed in items (i) to (vi) within the past 12 months;

- (viii) Other persons deemed not independent under laws, administrative regulations, the requirements of the CSRC, the stock exchange of the place where the Company's shares are listed, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Affiliated enterprises of the Company's Controlling Shareholders or actual controllers referred to in items (iv) to (vi) above do not include enterprises which are controlled by the same state-owned assets administration organ as the Company and, in accordance with relevant regulations, are not considered related parties of the Company.

Independent Directors shall conduct an annual self-assessment of their independence and submit the results to the Board of Directors. The Board of Directors shall annually evaluate the independence of incumbent independent Directors and issue a special opinion, which shall be disclosed together with the annual report.

Article 131 The following conditions shall be met in order to serve as an independent Director of the Company:

- (i) Qualified to be a Director of a listed company in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and other relevant provisions;
- (ii) Comply with the independence requirements set out in the Articles of Association;
- (iii) Have basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations and rules;
- (iv) Have at least five years of working experience in law, accounting or economics necessary to perform the duties of an independent Director;
- (v) Have good personal integrity and no major breach of trust or other adverse records;
- (vi) Other conditions stipulated by laws, administrative regulations, the CSRC, the stock change of the place where the Company's shares are listed, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 132 As members of the Board, the independent Directors shall owe fiduciary duties and duty of diligence to the Company and all Shareholders to prudently perform the following duties:

- (i) To participate in the decision-making of the Board and express a definite opinion on the proceedings;
- (ii) To supervise potential material conflict of interest between the Company and its Controlling Shareholders, actual controllers, Directors and senior management members, and protect the legitimate rights and interests of minority Shareholders;
- (iii) To provide professional and objective advice on the Company's operation and development and to promote the improvement of the Board's decision-making level;
- (iv) Other duties as prescribed by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 133 The independent Directors shall exercise the following special powers:

- (i) To engage independently intermediaries to audit, consult or verify specific matters of the Company;
- (ii) To propose to the Board the convening of an extraordinary Shareholders' meeting;
- (iii) To propose a Board meeting;
- (iv) To solicit openly Shareholders' rights from Shareholders in accordance with laws;
- (v) To express independent opinions on matters that may prejudice the interests of the Company or minority Shareholders;
- (vi) Other powers and functions prescribed by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Where an independent Director exercises the powers listed in sub-paragraphs (i) to (iii) of the preceding paragraph, the independent Director shall obtain the approval of a majority of all independent Directors.

The Company shall disclose in a timely manner if the independent Directors exercise the powers and functions listed in paragraph 1. In the event that the above-mentioned powers cannot be exercised normally, the Company will disclose the details and reasons.

Article 134 The following matters shall be submitted to the Board of Directors for review after obtaining the approval of more than half of all independent Directors:

- (i) Related-party transactions that require disclosure;
- (ii) Proposals for the Company and related parties to change or waive commitments;
- (iii) Decisions and measures taken by the Board of Directors of an acquired listed company in response to the acquisition;
- (iv) Other matters stipulated by laws, administrative regulations, the CSRC, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 135 The Company shall establish a mechanism for special meetings composed entirely of independent Directors. Matters such as related-party transactions to be reviewed by the Board of Directors shall first be approved by the special meeting of independent Directors.

The Company shall convene special meetings of independent Directors on a regular or ad hoc basis. Matters listed in items (i) to (iii) of paragraph 1 of Article 133 and Article 134 of the Articles of Association shall be reviewed by the special meeting of independent Directors.

The special meeting of independent Directors may study and discuss other matters of the Company as needed.

The special meeting of independent Directors shall be convened and presided over by one independent Director jointly nominated by more than half of the independent Directors. If the convenor fails to perform their duties or is unable to do so, two or more independent Directors may convene the meeting and nominate one representative to preside.

Minutes of special meetings of independent Directors shall be prepared in accordance with the regulations, and the opinions of independent Directors shall be set out in the minutes. The independent Directors shall sign to confirm the minutes.

The Company shall facilitate and support the convening of special meetings of independent Directors.

Section 4 Special Committees under the Board

Article 136 The Company's Board of Directors shall establish an Audit Committee, which shall exercise the powers and duties of the Board of Supervisors as stipulated in the Company Law.

Article 137 The members of the Audit Committee shall be non-executive Directors or independent Directors. It currently consists of 3 members, including 2 independent Directors. The convenor (chairman) shall be an independent Director with accounting expertise.

Article 138 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audits, and internal controls. The following matters shall be submitted to the Board of Directors for review after obtaining the approval of more than half of all Audit Committee members:

- (i) Disclosure of financial accounting reports and financial information in periodic reports, as well as internal control evaluation reports;
- (ii) Appointment or dismissal of the accounting firm responsible for auditing the listed company;
- (iii) Appointment or dismissal of the chief financial officer of the listed company;
- (iv) Changes in accounting policies, accounting estimates, or corrections of major accounting errors due to reasons other than changes in accounting standards;
- (v) Other matters stipulated by laws, administrative regulations, the CSRC, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 139 The Audit Committee shall hold at least one meeting per quarter. Extraordinary meetings may be convened upon the proposal of two or more members or if the convenor deems it necessary. A meeting of the Audit Committee shall require the attendance of at least two-thirds of its members to be valid.

Resolutions of the Audit Committee shall require the approval of more than half of its members.

Each member shall have one vote in Audit Committee resolutions.

Minutes of Audit Committee meetings shall be prepared as required, and attending members shall sign the minutes.

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

Article 140 The Board of Directors shall establish other special committees, such as the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy and ESG Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals of these committees shall be submitted to the Board of Directors for review and decision. The working procedures of these special committees shall be formulated by the Board of Directors.

Article 141 The Nomination Committee shall comprise 3 Directors, including 2 independent Directors, the chairman of the Nomination Committee may be the chairman of the Board of Directors or an independent Director. The Nomination Committee shall be responsible for formulating criteria and procedures for the selection of Directors and senior management members, selecting and reviewing candidates for Directors and senior management members and their qualifications, and making recommendations to the Board on the following matters:

- (i) Nomination or removal of Directors;
- (ii) Appointment or dismissal of senior management members;
- (iii) Other matters provided for in laws, administrative regulations, the regulations of the CSRC, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the Board does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinion of the Nomination Committee and the specific reasons for not adopting them in the resolution of the Board and disclose the same.

Article 142 The Remuneration and Appraisal Committee shall comprise 3 Directors, including 2 independent Directors, chaired by an independent Director. The Remuneration and Appraisal Committee shall be responsible for formulating appraisal criteria and conducting appraisals for Directors and senior management members, formulating and reviewing remuneration policies and packages such as remuneration determination mechanism, decision-making process, payment and clawback arrangements for Directors and senior management members, and making recommendations to the Board on the following matters:

- (i) Remuneration of Directors and senior management members;

- (ii) Formulation or change of equity incentive plans and employee stock ownership plans, and the granting of rights to incentive recipients and the fulfilment of conditions for exercising such rights;
- (iii) Arrangement of shareholding plans by Directors and senior management members for subsidiaries to be spun off;
- (iv) Other matters as provided for by laws, administrative regulations, the CSRC regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the Board does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for not adopting them in the resolution of the Board and disclose the same.

Article 143 The Strategy and ESG Committee shall comprise 5 Directors, including 1 independent Director. The main duties and authorities of the Strategy and ESG Committee are as follows:

- (i) Conduct research and make recommendations on the Company's long-term development plans, business goals and development strategies;
- (ii) Conduct research and make recommendations on the Company's business strategies, including but not limited to product strategy, market strategy, marketing strategy, research and development strategy and human resources strategy;
- (iii) Conduct research and make recommendations on the significant strategic investments and financing schemes of the Company;
- (iv) Conduct research and make recommendations on significant capital operations and asset management projects of the Company;
- (v) Conduct research and make recommendations on the company's sustainability (ESG) strategic planning, goals and objectives, and policy directions, of which ESG strategies include but are not limited to environmental, social and governance strategies;
- (vi) Conduct research and make recommendations on other major matters affecting the Company's development;
- (vii) Follow up on and monitor the implementation of the aforesaid matters;
- (viii) Make recommendations on other matters authorized by the Board of Directors of the Company.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Strategy and ESG Committee, it shall record the opinion of the Nomination Committee and the specific reasons for not adopting them in a resolution of the Board of Directors and disclose the same.

CHAPTER VI SENIOR MANAGEMENT MEMBERS

Article 144 The Company shall have a general manager, also known as the chief executive officer, who shall be appointed or dismissed by the Board of Directors. The Company shall also have an executive president and several vice presidents of the Group. The executive president and vice presidents of the Group shall be nominated by the chief executive officer and appointed or dismissed by the Board of Directors.

The chief executive officer, executive president, vice presidents of the Group, chief financial officer, secretary to the Board, and other personnel designated by the Board of Directors shall constitute the senior management members of the Company.

Article 145 The provisions of the Articles of Association regarding the circumstances under which a person may not serve as a Director and the regulations on departure management shall also apply to senior management members. The provisions of the Articles of Association regarding the fiduciary duties and duty of diligence of Directors shall also apply to senior management members.

Article 146 Persons holding executive positions other than Directors and supervisors in the Company's Controlling Shareholder entities shall not serve as senior management members of the Company.

Senior management members of the Company are remunerated only by the Company and are not remunerated by the Controlling Shareholder.

Article 147 The term of office of the chief executive officer shall be three years, and may be re-appointed to serve consecutive terms.

Article 148 The chief executive officer shall be accountable to the Board of Directors and shall exercise the following powers and duties:

- (i) Presiding over the Company's production, operation, and management activities, implementing the resolutions of the Board of Directors, and reporting to the Board of Directors;
- (ii) Implementing the Company's annual business plans and investment proposals;
- (iii) Drafting proposals for the establishment of the Company's internal management structure;

- (iv) Drafting the Company's basic management systems;
- (v) Formulating the Company's specific regulations;
- (vi) Proposing to the Board of Directors the appointment or dismissal of the executive president, vice presidents of the Group and chief financial officer;
- (vii) Deciding on the appointment or dismissal of management personnel other than those whose appointment or dismissal is to be decided by the Board of Directors;
- (viii) Other powers and duties granted by the Articles of Association or the Board of Directors.

The chief executive officer shall attend meetings of the Board of Directors.

Article 149 The chief executive officer shall formulate detailed working rules for chief executive officer and seek the approval from the Board of Directors before implementing them.

Article 150 The detailed working rules for the chief executive officer shall include:

- (i) The conditions and procedures for convening and participants of meetings;
- (ii) The respective duties and division of responsibilities among the chief executive officer and other senior management members;
- (iii) The application of the Company's capital and assets, the limits of authority to enter into contracts, and the mechanisms of reporting to the Board of Directors;
- (iv) Such other matters as the Board of Directors may think necessary.

Article 151 The chief executive officer, may tender resignation before the expiry of the term of office. Specific procedures and measures concerning resignation shall be prescribed in the employment contract between the chief executive officer and the Company.

Article 152 The Company may, in accordance with the needs of its operation and management, have several vice presidents of the Group, who shall be appointed or dismissed by the Board of Directors on the basis of a nomination made by the chief executive officer. The vice presidents of the Group shall be responsible to the chief executive officer and shall report on their work.

Article 153 The Company shall have a secretary to the Board of Directors, who shall be responsible for the preparation of Shareholders' meetings and Board of Directors' meetings of the Company, the custody of documents, the management of Shareholders' information of the Company, and the handling of information disclosure affairs, etc.

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

Article 154 The Company shall be liable for any damage caused to others by a senior management member in the performance of his/her duties for the Company; the senior management member shall also be liable for compensation with regards to any intentional misconduct or gross negligence on his/her part.

If a senior management member violates the provisions of laws, administrative regulations, departmental regulations, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association in the performance of the Company's duties, and causes damage to the Company, the senior management member shall be liable for compensation.

Article 155 The senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all Shareholders. Senior management members of the Company who fail to faithfully perform their duties or violate their duty of good faith and cause damage to the interests of the Company and the public Shareholders shall be liable for compensation in accordance with laws.

CHAPTER VII FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Section 1 Financial Accounting System

Article 156 The Company shall establish its financial accounting system in accordance with laws, administrative regulations, and the provisions of relevant national authorities.

Article 157 Within 4 months after the end of each fiscal year, the Company shall submit and disclose its annual report to the Regional Office of the CSRC and the stock exchange where the Company's shares are listed. Within 2 months after the end of the first half of each fiscal year, the Company shall submit and disclose its interim report to the Regional Office 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 its quarterly report to the Regional Office of the CSRC and the stock exchange where the Company's shares are listed.

Article 158 The Company shall not establish separate accounting books in addition to the statutory accounting books. The Company's assets shall not be stored in accounts opened in the name of any individual.

Article 159 The Company shall allocate 10% of the annual after-tax profits as the statutory reserve fund of the Company. When the accumulated amount of the statutory reserve fund of the Company has reached more than 50% of the registered capital of the Company, no further allocation is required.

If the statutory reserve fund of the Company is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up the said losses before any statutory reserve fund is withdrawn according to the provision of the preceding paragraph.

After withdrawing the statutory reserve fund out of its after-tax profits, the Company may also allocate some of its after-tax profits into its discretionary reserve if so resolved by the Shareholders' meeting.

After making up the losses and making contributions to the common reserve fund, any remaining profits after tax shall be distributed to the Shareholders in proportion to their respective shareholdings, except it is stipulated in the Articles of Association of the Company that profit distributions shall not be made in accordance with the shareholding proportion.

If the Shareholders' meeting, in violation of the Company Law, distributes profits to the Shareholders, the Shareholders must return the profits distributed in violation of the provision to the Company; if the Company suffers losses as a result, the Shareholders and the responsible Directors and senior management members shall bear the liability for compensation.

No profits shall be distributed in respect of the shares held by the Company.

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

Article 160 Reserves of the Company are used for offsetting losses of the Company, expanding the Company's production and operation or converting into and increasing the capital of the Company.

When using reserve to offset losses of the Company, the discretionary reserve and the statutory reserve shall be used first; if the losses cannot be fully offset, the capital reserve fund may be used in accordance with regulations.

When converting the statutory reserve fund into additional registered capital, the remaining statutory reserve fund shall not be less than 25% of the Company's registered capital before the conversion.

Article 161 The Company's profit distribution policy is as follows:

- (i) Principles of profit distribution: the Company shall implement a proactive, consistent, and stable profit distribution policy, and the profit distribution of the Company shall emphasise the reasonable investment return of investors and take into account the actual operation and sustainable development of the Company in the current year.
- (ii) Forms of profit distribution: the Company may distribute dividends in the form of cash, stock, a combination of cash and stock, and other methods permitted by laws and regulations, with priority given to the distribution of profits in the form of cash dividends. The objective of the Company's cash dividend policy is to stabilize dividend growth. On the premise that the Company is profitable and the accumulated undistributed profits are positive for the year, and provided that no material cash outlay occurs, the Company shall distribute in cash not less than 20% of the distributable profits realized for the current year.

The above significant cash outlays refer to situations in which the Company's cumulative expenditures for external investment, acquisition of assets or purchase of equipment within the next twelve months reach or exceed 20% of the Company's latest audited net assets and exceed \$300,000,000, or in which the Company's cumulative expenditures for external investment, acquisition of assets or purchase of equipment within the next twelve months reach or exceed 10% of the Company's latest audited total assets.

- (iii) Differential Cash Dividend Policy: the Board of Directors of the Company shall, taking into account the characteristics of the industry in which it operates, its stage of development, its own mode of operation, profitability, debt repayment ability, whether there are any arrangements for significant capital expenditure and investor returns, propose a differential cash dividend scheme by distinguishing between the following circumstances:
 1. If the Company is at a mature stage of development and there are no major capital expenditure arrangements, the proportion of cash dividends in the profit distribution shall be at least 80%;

2. If the Company is at a mature stage of development and has significant capital expenditure arrangements, the cash dividend should account for at least 40% of the profit distribution;
3. If the company is at a growing stage of development and there are significant capital expenditure arrangements, the cash dividend should account for at least 20% of the profit distribution.

Where the stage of development of the Company is not easily distinguishable but there are arrangements for significant capital expenditure, the distribution of cash dividends may be handled in accordance with the provisions of paragraph 3 of the preceding paragraph.

(iv) Specific conditions for the Company to issue bonus shares

When the Company is in good operating condition and the Board of Directors is of the opinion that the price of the Company's shares does not match the size of the Company's share capital, and that the issuance of bonus shares is beneficial to the interests of the Company's Shareholders as a whole, the Company may adopt the method of issuing bonus shares for the purpose of profit distribution provided that the above conditions for cash dividends are satisfied, and the specific percentage of the dividends shall be reviewed and approved by the Board of Directors of the Company and submitted to the Shareholders' meeting for consideration and decision.

(v) Procedures for research and decision-making regarding profit distribution

1. Prior to the publication of the regular report, the Board of Directors of the Company shall study and discuss the profit distribution proposal under the premise of giving full consideration to the Company's ability to continue operation, ensuring the funds required for normal operation and development of production and emphasizing reasonable investment returns to investors, and the independent Directors shall express their definite opinions when formulating the cash dividend proposal.
2. The independent Directors may solicit the opinions of minority Shareholders and put forward a proposal for the distribution of cash dividends, which shall be submitted directly to the Board of Directors for consideration. If the independent Directors consider that a specific proposal for cash dividends may jeopardize the interests of the listed company or the minority Shareholders, they have the right to express their independent opinions. If the Board of Directors does not adopt or fully adopt the opinion of an independent Director, it shall record the opinion of the independent Director and the specific reasons for not adopting such opinion and disclose the same in the resolution of the Board of Directors.

3. The Board of Directors of the Company shall comply with the laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and the profit distribution policy stipulated in the Articles of Association when formulating the specific profit distribution proposal; the arrangements or principles for the utilization plan of the retained undistributed profits of the year shall be explained, and the independent Directors shall express their independent opinions on the reasonableness of the profit distribution proposal.
4. When the Board of Directors and the Shareholders' meeting review the specific proposal for cash dividends, they shall proactively communicate and exchange views with Shareholders, especially minority Shareholders, through a variety of channels, including but not limited to telephone, facsimile and e-mail communication or inviting minority Shareholders to attend the meeting, etc., so as to fully listen to the views and aspirations of the minority Shareholders, and to answer questions of concern of the minority Shareholders in a timely manner.
5. Profit distribution proposals shall be reviewed and approved by the Board of Directors of the Company before they are submitted to the Shareholders' meeting for consideration. When the Board of Directors deliberates on the formulation or modification of policies related to profit distribution, the proposal shall be submitted to the Shareholders' meeting for consideration only after it has been approved by a majority vote of all the Directors. When the Shareholders' meeting considers the profit distribution plans, it shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the Shareholders' meeting; and the Shareholders' meeting shall provide Shareholders with the means of internet voting when the Shareholders' meeting votes.
6. The dividend (or share) distribution shall be completed within two months after the Shareholders' meeting of the Company has resolved on the profit distribution plans or after the Board of Directors of the Company has formulated a specific plan in accordance with the conditions and upper limit of the interim dividend distribution for the following year as approved by the annual Shareholders' meeting.
7. When the Company convenes an annual Shareholders' meeting to consider the annual profit distribution plans, it may consider and approve the conditions, upper limit on the percentage and upper limit on the amount of cash dividends to be distributed in the following year's interim period, provided that the upper limit on the distribution of dividends in the following year's interim period to be considered at the annual Shareholders' meeting shall not exceed the net profit attributable to Shareholders of the Company for the corresponding period. The Board of Directors shall formulate a specific interim profit distribution plans in accordance with the resolution of the Shareholders' meeting, provided that the conditions for profit distribution are met.

8. The Audit Committee of the Board of Directors shall supervise the implementation of the Company's profit distribution policy and Shareholders' return planning by the Board of Directors and the management as well as the decision-making procedures.

(vi) Adjustment of profit distribution policy

If the Company needs to adjust its profit distribution policy in accordance with its production and operation situation, investment planning, long-term development needs or due to significant changes in the external operating environment or its own operating conditions, the relevant motion shall be submitted to the Shareholders' meeting for approval after consideration by the Board of Directors.

Adjustment of the profit distribution plans of the Company must be discussed by the Board of Directors, with detailed justifications and reasons given, and independent Directors expressing their definite opinions; when the Board of Directors reviews on the adjustment of the profit distribution policy, it must be approved by a majority vote of all Directors and voted on by all independent Directors; when the profit distribution policy is being reviewed at a Shareholders' meeting, it shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the Shareholders' meeting; and the Shareholders' meeting shall provide the Shareholders with the means of internet voting when the Shareholders' meeting is being held.

Article 162 The Company shall formulate a plan for Shareholders' dividend return plan. The Shareholders' dividend return plan shall focus on long-term and sustainable development, taking into account the actual business development, Shareholders' requirements and wishes, the cost of social capital, the external financing environment and other factors, and clearly define the profit distribution objectives of the Company. The Shareholders' dividend return plan shall comply with the provisions of the Articles of Association.

The Shareholders' dividend return plan shall be submitted to the Shareholders' meeting for approval after being reviewed by the Board of Directors. When the Board of Directors considers the Shareholders' dividend return plan, it shall be approved by a majority of all the Directors and agreed by a majority of all the independent Directors, and when the Shareholders' meeting considers the Shareholders' dividend return plan, it shall be approved by more than two-thirds of the voting rights of the Shareholders present at the Shareholders' meeting, and the Shareholders' meeting shall provide the Shareholders with the means of internet voting when voting.

The Shareholders' dividend return plan shall be re-examined every three years.

Section 2 Internal Audit

Article 163 The Company shall implement an internal audit system, specifying the leadership structure, responsibilities and authorities, staffing, funding, application of audit results, and accountability for internal audit work.

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

Article 164 The Company's internal audit department supervises and inspects the Company's business activities, risk management, internal control, financial information and other matters.

Article 165 The internal audit body is accountable to the Board.

The internal audit department shall accept the supervision and guidance of the Audit Committee in the course of its supervision and inspection of the Company's business activities, risk management, internal control and financial information. The internal audit department shall immediately report directly to the Audit Committee when it discovers relevant major issues or clues.

Article 166 The specific organization and implementation of the Company's internal control evaluation is the responsibility of the internal audit department. The Company shall issue an annual internal control evaluation report on the basis of the evaluation report issued by the internal audit department and considered by the Audit Committee, as well as relevant information.

Article 167 When the Audit Committee communicates with external audit entities such as accounting firms and national audit institutions, the internal audit department should actively cooperate and provide the necessary support and collaboration.

Article 168 The Audit Committee shall be involved in the appraisal of the person in charge of internal audit.

Section 3 Appointment of Accounting Firms

Article 169 The Company shall engage an accounting firm that complies with the Securities Law to conduct audits of financial statements, verification of net assets, and other related consulting services. The engagement term shall be one year and may be renewed.

Article 170 The appointment or dismissal of an accounting firm shall be submitted to the Board of Directors for review after obtaining the approval of more than half of all members of the Audit Committee and shall be decided by the Shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the decision of the Shareholders' meeting.

Article 171 The Company shall ensure that the engaged accounting firm is provided with true and complete accounting vouchers, accounting books, financial accounting statements, and other accounting materials, and shall not refuse, conceal, or misreport such materials.

Article 172 The audit fees of the accounting firm shall be decided by the Shareholders' meeting.

Article 173 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 Shareholders' meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to present its opinions.

If the accounting firm resigns, it shall explain to the Shareholders' meeting whether there are any improper circumstances in the Company.

CHAPTER VIII NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 174 Notices from the Company shall be given in the following form:

- (i) By hand;
- (ii) By post;
- (iii) By way of an announcement on the Company's website, the website designated by the Shanghai Stock Exchange and the website designated by the Hong Kong Stock Exchange, subject to compliance with applicable laws, administrative regulations, departmental rules, regulatory documents, the Hong Kong Listing Rules and the Articles of Association;

- (iv) Other forms prescribed by laws, administrative regulations, departmental rules and regulations, regulatory documents, the Hong Kong Listing Rules or the Articles of Association.

Article 175 Where a notice is given by the Company by way of announcement, it shall be deemed to have been received by all persons concerned once the announcement has been made.

In respect of the manner in which the Company provides and/or distributes the corporate communication to holders of H shares as required by the listing rules of the place where the Company's shares are listed, subject to compliance with the relevant listing rules of the place where the Company's shares are listed, the Company may also send or make available the corporate communication to holders of H shares of the Company either electronically or by posting a message on the website of the Company or on the website of the stock exchange of the place where the Company's shares are listed in place of sending the corporate communication to holders of H shares personally or by sending the corporate communication by postage-paid mail.

The said communications refer to any documents sent or to be sent by the Company to the Shareholders or other individuals required by the Hong Kong Listing Rules for reference or taking action, including but not limited to the annual reports (including reports of the Board of Directors, annual financial accounts of the Company, audit reports and summary financial statements (if applicable)), interim reports and summary interim reports of the Company (if applicable), quarterly reports of the Company, notice of meetings, listing documents, circulars, and proxy forms.

Article 176 Notice of a meeting of Shareholders convened by the Company shall be given by way of an announcement.

Article 177 Notice of a meeting of the Board held by the Company shall be given by hand or by other means such as mail, facsimile and e-mail.

Article 178 If a notice given by the Company is delivered by hand, the date on which the person to be served signs (or affixes a seal on) the acknowledgement of receipt shall be the date of service; if a notice given by the Company is delivered by mail, the third business day after the notice is handed over to the post office shall be the date of service; if a notice given by the Company is delivered by facsimile, the date on which the facsimile is sent shall be the date of service; if a notice given by the Company is delivered by e-mail, the date on which the e-mail is sent shall be the date of service; if the notice is by way of a public announcement, the the date of the first publication of the announcement shall be the date of service.

Article 179 The accidental omission to give notice of a meeting to any person entitled to receive such notice, or failure by such person to receive the notice shall not invalidate the meeting or any resolutions passed at the meeting.

Section 2 Announcements

Article 180 The Company has designated the Securities Times/Shanghai Securities News as the media for the publication of the Company's A-share announcement and other information required to be disclosed. Announcements of the Company's H shares and other information required to be disclosed shall be published on the Company's website, the HKEXnews website and such 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. Announcements of the Company shall comply with the Company Law, the Articles of Association and the securities regulatory rules of the place where the Company's shares are listed.

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

Section 1 Merger, Division, Capital Increase, and Capital Reduction

Article 181 The Company's merger can be in the form of an absorption merger or a consolidation merger.

When one company absorbs other companies, it is an absorption merger, and the absorbed companies are dissolved. When two or more companies merge to form a new company, it is a consolidation merger, and all the merging companies are dissolved.

Article 182 A merger of companies may be carried out without a resolution of the Shareholders' meeting if the price paid for the merger does not exceed 10% of the net assets of the Company, unless otherwise provided for in the Articles of Association and the listing rules of the place where the Company's shares are listed. If a merger of companies pursuant to the preceding paragraph is carried out without a resolution of the Shareholders' meeting, it shall be decided by the Board of Directors.

Article 183 For a company merger, the merging parties shall sign a merger agreement and prepare a balance sheet and a property list. The Company shall notify its creditors within 10 days from the date of adopting the merger resolution and make an announcement in the Securities Times/Shanghai Securities News or on the National Enterprise Credit Information Publicity System within 30 days.

Creditors may, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement if they have not received the notice, request the Company to pay off its debts or provide corresponding guarantees.

Article 184 When the Company merges, the credits and debts of the merging parties shall be succeeded by the surviving company after the merger or the newly established company.

Article 185 When the Company divides, its assets shall be divided accordingly.

When the Company divides, it shall prepare a balance sheet and a detailed inventory of assets. The Company shall notify its creditors within 10 days from the date of the division resolution and make an announcement in the Securities Times/Shanghai Securities News or the National Enterprise Credit Information Publicity System within 30 days.

Article 186 The debts of the Company before the division shall be jointly assumed by the companies after the division, unless otherwise agreed in a written agreement between the Company and its creditors before the division.

Article 187 When the Company needs to reduce its registered capital, it must prepare a balance sheet and a detailed inventory of assets.

The Company shall notify its creditors within 10 days from the date of the Shareholders' meeting resolution on the capital reduction and make an announcement in the Securities Times/Shanghai Securities News or the National Enterprise Credit Information Publicity System within 30 days. Creditors may request the Company to settle its debts or provide corresponding guarantees within 30 days from the date of receiving the notice or within 45 days from the date of the announcement if they have not received the notice.

If the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares accordingly to the proportion of shares held by Shareholders, unless otherwise provided by laws, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 188 If the Company still has a deficit after making up for it in accordance with paragraph 2 of Article 159 of the Articles of Association, it may reduce its registered capital to make up for the deficit. If the registered capital is reduced to make up for the loss, the Company shall not make any distribution to the Shareholders, nor shall the Shareholders be relieved of the obligation to pay the capital contribution or the share premium.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 186 of the Articles of Association shall not apply, but an announcement shall be made in the Securities Times/Shanghai Securities News or in the State Enterprise Credit Information Publicity System within 30 days from the date of the resolution of the Shareholders' meeting on the reduction of the registered capital.

After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it may not distribute its profits until the accumulated amount of its legal and arbitrary reserves reaches 50% of the Company's registered capital.

Article 189 If the registered capital is reduced in violation of the Company Law and other relevant provisions, the Shareholders shall return the funds they have received, and if the capital contribution of the Shareholders is reduced, it shall be restored to its original state; if losses are caused to the company, the Shareholders and the Directors and senior management members who are held liable shall be held liable to compensate for the losses.

Article 190 When the Company issues new shares to increase its registered capital, Shareholders do not have preemptive rights to subscribe, unless otherwise stipulated in the Articles of Association or decided by a resolution of the Shareholders' meeting.

Article 191 When the Company merges or divides, and the registration matters change, it shall apply for a change of registration with the Company registration authority in accordance with laws; when a company is dissolved, it shall apply for cancellation of registration in accordance with laws; when a new company is established, it shall apply for establishment registration in accordance with laws.

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

Section 2 Dissolution and Liquidation

Article 192 The Company shall be dissolved for the following reasons:

- (i) The business term stipulated in the Articles of Association expires or other dissolution reasons stipulated in the Articles of Association arise;
- (ii) The Shareholders' meeting resolves to dissolve the Company;
- (iii) The Company needs to be dissolved due to a merger or division;
- (iv) The Company is legally revoked its business license, ordered to close, or revoked;
- (v) The Company's operation and management encounter serious difficulties, and its continued existence would cause significant losses to Shareholders' interests, and no other solutions can be found. Shareholders holding 10% or more of the Company's total voting rights may request the people's court to dissolve the Company.

Where the circumstances for dissolution specified in the preceding paragraph occur, the Company shall publicize the dissolution reasons through the National Enterprise Credit Information Publicity System within ten days.

Article 193 If the Company has the circumstances mentioned in items (i) and (ii) of Article 192 and has not yet distributed its assets to Shareholders, it may continue to exist by amending its Articles of Association or through a resolution of the Shareholders' meeting.

To amend the Articles of Association or pass a resolution of the Shareholders' meeting in accordance with the preceding paragraph, it must be approved by more than 2/3 of the voting rights held by Shareholders present at the Shareholders' meeting.

Article 194 If a company is dissolved due to the circumstances mentioned in items (i), (ii), (iv), and (v) of Article 192, it shall be liquidated. The Directors are the liquidation obligors and shall establish a liquidation group within 15 days from the date the dissolution reason arises to commence liquidation.

The liquidation group shall consist of Directors, unless otherwise stipulated in the Articles of Association or the Shareholders' meeting resolves to appoint others.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing losses to the Company or creditors, they shall liable for compensation.

Article 195 During the liquidation period, the liquidation group shall exercise the following powers and duties:

- (i) Cleaning up the Company's assets and preparing a balance sheet and a detailed inventory of assets;
- (ii) Notifying and announcing to creditors;
- (iii) Handling the Company's unfinished business related to the liquidation;
- (iv) Paying off the taxes owed and the taxes incurred during the liquidation process;
- (v) Cleaning up claims and debts;
- (vi) Distributing the remaining assets after the Company's debts are settled;
- (vii) Representing the Company in civil litigation activities.

Article 196 The liquidation group shall notify creditors within 10 days from the date of its establishment and make an announcement in the Securities Times/Shanghai Securities News or the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation group within 30 days from the date of receiving the notice or within 45 days from the date of the announcement if they have not received the notice.

When declaring claims, creditors shall explain the relevant matters of the claims and provide supporting materials. The liquidation group shall register the claims.

During the claim declaration period, the liquidation group shall not settle claims with creditors.

Article 197 After cleaning up the Company's assets and preparing a balance sheet and a detailed inventory of assets, the liquidation group shall formulate a liquidation plan and submit it to the Shareholders' meeting or the people's court for confirmation.

After paying off the liquidation expenses, employees' wages, social insurance fees, and statutory compensation, paying off the taxes owed, and settling the Company's debts, the remaining assets shall be distributed to Shareholders according to the proportion of shares held.

During the liquidation period, the Company shall continue to exist but shall not engage in business activities unrelated to the liquidation.

The Company's assets shall not be distributed to Shareholders before being settled in accordance with the preceding paragraph.

Article 198 After cleaning up the Company's assets and preparing a balance sheet and a detailed inventory of assets, if the liquidation group finds that the Company's assets are insufficient to settle its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with laws.

After the people's court accepts the bankruptcy application, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator designated by the people's court.

Article 199 After the Company's liquidation is completed, the liquidation group shall prepare a liquidation report, submit it to the Shareholders' meeting or the people's court for confirmation, and submit it to the Company registration authority to apply for cancellation of the Company's registration.

Article 200 The members of the liquidation team are under fiduciary duties and duty of diligence in the performance of their liquidation duties.

If the members of the liquidation team are negligent in performing their liquidation duties and cause losses to the Company, they shall be liable for compensation; if they cause losses to the Company or creditors due to intentional misconduct or gross negligence, they shall be liable for compensation.

Article 201 If the Company is legally declared bankrupt, it shall implement bankruptcy liquidation in accordance with the relevant enterprise bankruptcy laws.

CHAPTER X AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 202 The Company shall amend the Articles of Association under the following circumstances:

- (i) After the Company Law or relevant laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed are amended, the provisions of the Articles of Association conflict with the amended laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;
- (ii) the Company's circumstances change and are inconsistent with the matters recorded in the Articles of Association;
- (iii) the Shareholders' meeting resolves to amend the Articles of Association.

Article 203 If the amendment of the Articles of Association passed by a resolution of the Shareholders' meeting requires approval by a competent authority, it shall be submitted to the competent authority for approval; if it involves company registration matters, the change of registration shall be processed in accordance with laws.

Article 204 The Board of Directors shall amend the Articles of Association in accordance with the resolution of the Shareholders' meeting on the amendment of the Articles of Association and the approval opinions of the competent authority.

Article 205 If the amendment of the Articles of Association involves information required to be disclosed by laws, regulations, or the securities regulatory rules of the place where the Company's shares are listed, it shall be announced in accordance with regulations.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 206 Definitions:

(i) Controlling Shareholders refers to Shareholders whose shares account for more than 50% of the total share capital of the Company; or Shareholders who, although they do not hold more than 50% of the shares, hold shares with voting rights sufficient to have a significant influence on the resolutions of the Shareholders' meeting, or the Controlling Shareholders defined in the securities regulatory rules of the place where the Company's shares are listed, specifically, in Hong Kong:

1. The person may elect more than half of the Directors when acting alone or in concert with others;
2. The person may exercise more than 30% of the total voting shares of the Company or control the exercise of more than 30% of the total voting shares of the Company when acting alone or in concert with others;
3. The person holds more than 30% of the total outstanding shares of the Company when acting alone or in concert with others;
4. The person may have actual control over the Company in any other manner when acting alone or in concert with others.

The definition of “acting in concert” above refers to two or more persons acting in concert by way of legal methods such as agreement (no matter in verbal or written form), partnership, or related-party relationships, expand their proportion of control over the Company’s shares or consolidate their position of control over the Company, and adopt the same expression of intent when exercising the Company’s voting rights (including cases such as jointly proposing a motion, jointly nominating a Director, and appointing a proxy to exercise the right to vote with an unspecified voting intent, etc., except for the public solicitation of voting proxies).

- (ii) Actual controllers refers to natural persons, legal persons or other organizations who, through investment relationships, agreements or other arrangements, are able to actually dominate the Company’s behaviour.
- (iii) Related relationship refers to the relationship between Controlling Shareholders, actual controllers, Directors, and senior management members of a company and the enterprises they directly or indirectly control, as well as other relationships that may lead to the transfer of interests of the company. However, enterprises controlled by the State are related to each other not only because they are also controlled by the State.
- (iv) “Accounting firm” in the Articles of Association shall have the meaning consistent with that of “auditor” in the Hong Kong Listing Rules, and “independent Director” shall have the meaning consistent with that of “independent non-executive director” in the Hong Kong Listing Rules.

Article 207 The Board may make by-laws in accordance with the provisions of the Articles of Association. The by-laws shall not be inconsistent with the provisions of the Articles of Association.

Article 208 The Articles of Association is provided in Chinese. In case of discrepancies between any other languages or different versions of the Articles of Association and the Articles of Association, the Chinese version of the Articles of Association after the latest approval from the Shenzhen Administration for Market Regulation shall prevail.

Article 209 For the purposes of the Articles of Association, the expressions “above” and “within” shall include the number indicated; the expressions “over”, “other than”, “less than” and “more than” do not include the number indicated.

Article 210 The Board of Directors of the Company shall be responsible for the interpretation of the Articles of Association. In case of any matters not covered in the Articles of Association or in case of any conflict with the relevant laws, administrative regulations, regulatory documents and the provisions of the securities regulatory rules of the place where the Company's shares are listed, the laws, administrative regulations, regulatory documents and the provisions of the securities regulatory rules of the place where the Company's shares are listed shall prevail.

Article 211 The annexes to the Articles of Association include the Rules of Procedure of the Shareholders' Meeting and the Rules of Procedure of the Board of Directors.

Article 212 The Articles of Association have been approved by the Shareholders' meeting of the Company and shall become effective and enforceable on the date on which the issue of H shares of the Company is filed with the CSRC and listed for trading on the Hong Kong Stock Exchange.

Eastroc Beverage (Group) Co., Ltd.
December 2025