

Epiworld International Co., Ltd.

Articles of Association

March 2026

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Chapter 1 General Provisions

Article 1 In order to safeguard the lawful rights and interests of the Company, its shareholders, employees and creditors, and to regulate the organization and conduct of the Company, the Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (2023 Revision) (hereinafter referred to as the "Company Law"), the Regulations of Xiamen Special Economic Zone on Commercial Registration (《廈門經濟特區商事登記條例》), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), other relevant laws and regulations, and with reference to the Guidelines for Articles of Association of Listed Companies and other relevant provisions of the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") regarding corporate governance. In the event of any inconsistency between the provisions of the Articles of Association and any laws, administrative regulations or departmental rules, the provisions of such laws, administrative regulations or departmental rules shall prevail.

The Articles of Association shall be binding upon the Company, its shareholders, directors, supervisors and senior management.

Article 2 The Company completed filing with the CSRC on January 30, 2026, and made its initial public offering of 21,492,050 overseas listed shares (hereinafter referred to as the "H Shares") in Hong Kong. The aforesaid H Shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") on March 30, 2026.

Article 3 All the assets of the Company shall be divided into shares of equal value. Shareholders shall bear liability to the Company to the extent of the shares they subscribe for, and the Company shall bear liability for its debts to the extent of all its assets.

Shareholders of the Company shall comply with laws, administrative regulations and the Articles of Association, exercise shareholders' rights in accordance with the law, and shall not abuse shareholders' rights to harm the interests of the Company or other shareholders.

Shareholders of the Company who abuse shareholders' rights and cause losses to the Company and other shareholders shall be liable for compensation.

Article 4 The controlling shareholder, de facto controller, directors, supervisors and senior management of the Company shall not use their related-party relationships to harm the interests of the Company.

Whoever violates the preceding paragraph and causes losses to the Company shall be liable for compensation.

Article 5 Shareholders of the Company who abuse the independent status of legal person of the Company and shareholders' limited liability to evade debts and severely infringe upon interests of the Company's creditors shall assume joint and several liabilities for the Company's debts.

Where a shareholder uses two or more companies under its control to engage in the conduct prescribed in the preceding paragraph, each of such companies shall bear joint and several liability for the debts of any one of them.

Article 6 Where the procedures for convening a meeting of the shareholders' general meeting or the Board of Directors, or the voting methods, violate laws, administrative regulations or the Articles of Association, or where the content of a resolution violates the Articles of Association, a shareholder may petition a People's Court to revoke such resolution within sixty days from the date on which the resolution is adopted, unless there are only minor defects in the procedures for convening the meeting or in the voting methods that have no substantive impact on the resolution. Where a shareholder who was not notified to attend a shareholders' general meeting requests revocation, such shareholder may petition a people's court within sixty days from the date on which he/she knew or should have known that the resolution of the shareholders' general meeting was adopted; if the right of revocation is not exercised within one year from the date on which the resolution was adopted, such right shall be extinguished.

Article 7 Any resolution of the shareholders' general meeting or the Board of Directors that violates laws or administrative regulations shall be null and void.

Where a resolution of the shareholders' general meeting or the Board of Directors is declared invalid, revoked, or confirmed as not established by a People's Court, the Company shall apply to the company registration authority to cancel any registration already effected based on such resolution.

Where a resolution of the shareholders' general meeting or the Board of Directors is declared invalid, revoked, or confirmed as not established by a People's Court, the civil legal relationships formed between the Company and bona fide counterparties based on such resolution shall not be affected.

Article 8 The Company establishes an organization of the Communist Party and carries out activities of the Party in accordance with the provisions of the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of the Party organizations.

Chapter 2 Company Name and Domicile

Article 9 Registered name of the Company:

Chinese name: 瀚天天成电子科技(厦门)股份有限公司.

English name: Epiworld International Co., Ltd.

The Company's name right is protected by law.

Article 10 Domicile of the Company: No. 198-1, East 2nd Road, Tongxiang High-tech City, Torch Hi-tech Zone, Xiamen.

Article 11 The domicile of the Company shall serve as the address for service of legal documents. Where the Company's business premises are inconsistent with its domicile, it shall promptly complete the filing of its business premises or apply for registration of a branch in accordance with the relevant provisions of the Regulations of Xiamen Special Economic Zone on Commercial Registration.

Chapter 3 Business Objectives and Scope

Article 12 Business objectives of the Company: to develop China's third-generation semiconductor industry, contribute to the nation's energy conservation and emission reduction efforts, and achieve a dual harvest of social and economic benefits.

Article 13 Business scope of the Company: research and development, production and sales of semiconductor materials and equipment, and related technical consulting and services; import and export of various commodities and technologies (without a separate catalogue of import and export commodities), except for commodities and technologies restricted or prohibited by the State; wholesale of other machinery equipment and electronic products; wholesale of electrical equipment; and trade agency services. (The above commodities do not involve goods subject to state trading administration. For commodities subject to quota or license administration, applications shall be handled in accordance with relevant state regulations.)

The Company shall conduct business activities within the business scope prescribed in the Articles of Association. The Company may amend the Articles of Association to change its business scope.

Where any item within the Company's business scope is subject to approval as required by laws and regulations, such approval shall be obtained in accordance with the law.

Chapter 4 Registered Capital, Number of Issued Shares and Shares Issued upon Establishment, and Par Value per Share

Article 14 Registered capital of the Company: RMB404,092,760. Number of issued shares of the Company: 404,092,760 shares. Number of shares issued upon establishment: 360,000,000 shares. Par value per share: RMB1.

Upon completion of the initial public offering of H Shares, the total number of shares of the Company shall be 425,584,810 shares, all of which are ordinary shares.

Article 15 The registered capital of the Company shall be the total share capital of issued shares registered with the company registration authority. The promoters (shareholders) shall bear liability to the Company to the extent of the shares they subscribe for.

Article 16 Where the Company changes its registered capital, it shall apply to the company registration authority for registration of such change within thirty days from the date on which the resolution or decision on such change is made.

Chapter 5 Method of Establishment and Names or Titles of the Promoters, Number of Shares Subscribed, and Method of Capital Contribution

Article 17 Epiworld International Co., Ltd. is a joint stock limited company established in accordance with the Company Law and other relevant laws, administrative regulations and departmental rules in China. It was converted as a whole from Epiworld International Co., Ltd., with February 28, 2023 as the base date for restructuring and all shareholders of Epiworld International Co., Ltd. as the promoters, by way of overall change based on the audited net assets of RMB941,507,795.34. Among which, RMB941,507,795.34 was converted into 360,000,000 shares at a par value of RMB1 per share, and the remaining balance of RMB581,507,795.34 after conversion into share capital was transferred to capital reserve. All shareholders converted their respective capital contributions into a corresponding number of shares in proportion to their original capital contributions after the change into a joint stock limited company. The Company was registered with the Xiamen Municipal Administration for Market Regulation and obtained its business license. The unified social credit code of the Company is 91350200568418733D.

Article 18 The names or titles of the promoters, the amount of capital subscribed, the number of shares subscribed, the method of capital contribution and the time of capital contribution are as follows:

Promoter 1: Zhao Jianhui

Nationality (Place of Registration): United States

Amount of capital subscribed: RMB109,354,956

Number of shares subscribed: 109,354,956 shares

Percentage of shareholding: 30.3764%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 2: Xiamen Xike Zhongheng Investment Partnership (Limited Partnership) (廈門希科眾恒投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB56,749,358

Number of shares subscribed: 56,749,358 shares

Percentage of shareholding: 15.7637%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 3: Li Qinghua

Nationality (Place of Registration): China

Amount of capital subscribed: RMB27,019,903

Number of shares subscribed: 27,019,903 shares

Percentage of shareholding: 7.5055%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 4: Xiamen Xincheng Zhongchuang Investment Partnership Enterprise (Limited Partnership) (廈門芯成眾創投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB16,503,914

Number of shares subscribed: 16,503,914 shares

Percentage of shareholding: 4.5844%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 5: Hubble Technology Venture Capital Co., Ltd. (哈勃科技創業投資有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB16,292,350

Number of shares subscribed: 16,292,350 shares

Percentage of shareholding: 4.5257 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 6: Xiamen Zhongnan Hongyuan Equity Investment Fund Partnership (L.P.) (廈門中南弘遠股權投資基金合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB16,106,360

Number of shares subscribed: 16,106,360 shares

Percentage of shareholding: 4.4740 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 7: Hangzhou Zhentai Equity Investment Partnership (Limited Partnership) (杭州臻泰股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB15,481,611

Number of shares subscribed: 15,481,611 shares

Percentage of shareholding: 4.3004%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 8: China Resources Microelectronics Holdings Company Limited (華潤微電子控股有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB10,861,566

Number of shares subscribed: 10,861,566 shares

Percentage of shareholding: 3.0171 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 9: Huangshan Saifu Tourism Culture Industry Development Fund (Limited Partnership) (黃山賽富旅遊文化產業發展基金(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB10,861,566

Number of shares subscribed: 10,861,566 shares

Percentage of shareholding: 3.0171%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 10: Puyuan (Xiamen) Investment Partnership (Limited Partnership) (樸原(廈門)投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB9,807,526

Number of shares subscribed: 9,807,526 shares

Percentage of shareholding: 2.7243 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 11: Chen Yinfei

Nationality (Place of Registration): China

Amount of capital subscribed: RMB9,527,146

Number of shares subscribed: 9,527,146 shares

Percentage of shareholding: 2.6464%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 12: Ningbo Fuchi Enterprise Management Consulting Partnership (Limited Partnership) (寧波富池企業管理諮詢合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB9,503,871

Number of shares subscribed: 9,503,871 shares

Percentage of shareholding: 2.6400 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 13: Xiamen Jushenghua Venture Capital Partnership (Limited Partnership) (廈門炬盛華創業投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB6,788,479

Number of shares subscribed: 6,788,479 shares

Percentage of shareholding: 1.8857 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 14: Shanghai Tianli Enterprise Management Center (Limited Partnership) (上海天禮企業管理中心(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB6,787,150

Number of shares subscribed: 6,787,150 shares

Percentage of shareholding: 1.8853 %

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 15: Zhang Minghua

Nationality (Place of Registration): China

Amount of capital subscribed: RMB6,015,215

Number of shares subscribed: 6,015,215 shares

Percentage of shareholding: 1.6709%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 16: Shenzhen Huiyou Chuangjia Venture Investment Partnership (L.P.) (Limited Partnership) (深圳市惠友創嘉創業投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB5,430,783

Number of shares subscribed: 5,430,783 shares

Percentage of shareholding: 1.5086%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 17: Xiamen Dangfeng Technology Co., Ltd. (廈門市當豐科技有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB4,768,336

Number of shares subscribed: 4,768,336 shares

Percentage of shareholding: 1.3245%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 18: Xiamen Hi-tech Innovation Angel Investment Co., Ltd. (廈門高新科創天使創業投資有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB3,810,858

Number of shares subscribed: 3,810,858 shares

Percentage of shareholding: 1.0586%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 19: Xiamen Saifu Jinzuan Equity Investment Partnership (Limited Partnership) (廈門賽富金鑽股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB2,715,391

Number of shares subscribed: 2,715,391 shares

Percentage of shareholding: 0.7543%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 20: Xiamen Torch Group Venture Capital Co., Ltd. (廈門火炬集團創業投資有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB2,381,872

Number of shares subscribed: 2,381,872 shares

Percentage of shareholding: 0.6616%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 21: Ningbo Meishan Bonded Port Zone Qiaowang Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區僑旺股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB2,381,701

Number of shares subscribed: 2,381,701 shares

Percentage of shareholding: 0.6616%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 22: South China (Xiamen) Spark Venture Capital (廈門中南星火股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB2,034,697

Number of shares subscribed: 2,034,697 shares

Percentage of shareholding: 0.5652%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 23: Liaoning Haitong New Kinetic Energy Equity Investment Fund Partnership (Limited Partnership) (遼寧海通新動能股權投資基金合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB1,887,453

Number of shares subscribed: 1,887,453 shares

Percentage of shareholding: 0.5243%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 24: Hefei Chantou Tiancheng Equity Investment Partnership (Limited Partnership) (合肥產投天成股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB1,800,000

Number of shares subscribed: 1,800,000 shares

Percentage of shareholding: 0.5000%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 25: Xiamen Qingda Runyu Venture Capital Partnership (Limited Partnership) (廈門市清大潤玉創業投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB1,282,501

Number of shares subscribed: 1,282,501 shares

Percentage of shareholding: 0.3563%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 26: Shanghai Zhezhong Group Co., Ltd. (上海柘中集團股份有限公司)

Nationality (Place of Registration): China

Amount of capital subscribed: RMB1,258,302

Number of shares subscribed: 1,258,302 shares

Percentage of shareholding: 0.3495%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 27: Xiamen Qingda Xinsheng Venture Capital Partnership (Limited Partnership) (廈門市清大芯盛創業投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB1,005,114

Number of shares subscribed: 1,005,114 shares

Percentage of shareholding: 0.2792%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 28: Huzhou Runxu Equity Investment Partnership (Limited Partnership) (湖州潤煦股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB478,739

Number of shares subscribed: 478,739 shares

Percentage of shareholding: 0.1330%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 29: Ningbo Fuwurong Wuxiali Equity Investment Fund Partnership (Limited Partnership) (寧波芙五蓉物廈理股權投資基金合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB476,357

Number of shares subscribed: 476,357 shares

Percentage of shareholding: 0.1323%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 30: Xiamen Jiadong Wuyuan Investment Partnership (Limited Partnership) (廈門嘉棟物院投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB476,357

Number of shares subscribed: 476,357 shares

Percentage of shareholding: 0.1323%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Promoter 31: Xiamen Hongxing Equity Investment Partnership (Limited Partnership) (廈門弘行股權投資合夥企業(有限合夥))

Nationality (Place of Registration): China

Amount of capital subscribed: RMB150,568

Number of shares subscribed: 150,568 shares

Percentage of shareholding: 0.0418%

Method of capital contribution: contribution by net assets

Time of capital contribution: fully paid

Article 19 The Company shall prepare a register of shareholders and keep it at the Company. The register of shareholders shall record the following particulars:

- (I) the name or title and domicile of each shareholder;
- (II) the class and number of shares subscribed for by each shareholder;
- (III) where share certificates are issued in paper form, the serial numbers of the share certificates;
- (IV) the date on which each shareholder acquired his/her shares.

Chapter 6 Issuance and Transfer of Shares

Article 20 The capital of the Company is divided into shares. All shares of the Company, according to the provisions of the Articles of Association, shall be issued as par value shares, with each share having an equal amount.

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

Article 21 The Company may, upon separate resolution by a shareholders' general meeting, adopt the following methods to increase its registered capital in accordance with its business and development needs and pursuant to the laws, regulations and securities regulatory rules of the place where the shares of the Company are listed:

- (I) public offering of shares;
- (II) non-public offering of shares;
- (III) allotting of bonus shares to existing shareholders;
- (IV) conversion of funds in the capital reserve into share capital;

- (V) any other means stipulated by laws or administrative regulations or approved by relevant regulatory authorities.

Subject to the laws, regulations and securities regulatory rules of the place where the shares of the Company are listed, the Board of Directors may decide to issue no more than 50% of the issued shares within three years under the authorization of the shareholders' general meeting. However, capital contributions in the form of non-monetary assets shall be resolved by the shareholders' general meeting.

Where the Board of Directors decides to issue shares in accordance with the preceding paragraph and such issuance results in changes to the registered capital or the number of issued shares of the Company, amendments to the relevant particulars recorded in the Articles of Association shall not require a further resolution of the shareholders' general meeting. Where the shareholders' general meeting authorizes the Board of Directors to decide on the issuance of new shares, the resolution of the Board of Directors shall be adopted by more than two-thirds of all directors.

Article 22 The issuance of shares by the Company shall follow the principles of openness, fairness and impartiality, and each share of the same class shall carry equal rights.

For shares of the same class issued at the same time, the conditions and price per share shall be identical; the same price shall be paid for each of the shares subscribed for by any entity or individual.

Domestic unlisted shares and overseas listed shares issued by the Company are entitled to the same rights in any distribution in the form of dividends (including distributions in cash or in kind) or any other form. No power shall be exercised to freeze or otherwise impair any rights attached to the shares solely on the ground that the person directly or indirectly interested has failed to disclose his/her interest to the Company.

Upon filing with the CSRC and with the consent of the Hong Kong Stock Exchange, all or part of the domestic unlisted shares of the Company may be converted into overseas listed shares, and the converted overseas listed shares may be listed and traded on overseas stock exchanges. The listing and trading of the converted shares on overseas stock exchanges shall also comply with the regulatory procedures, provisions and requirements of the overseas securities markets.

The shares issued by the Company shall have their par value denominated in Renminbi.

The domestic unlisted shares issued by the Company shall be centrally deposited with China Securities Depository and Clearing Corporation Limited. H Shares issued by the Company may, in accordance with the laws of the place of listing and the practices of securities registration and custody, be primarily deposited with a nominee company under Hong Kong Securities Clearing Company Limited, and may also be held by shareholders in their own names.

Article 23 Unless otherwise provided by laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the shares are listed, the shares of the Company may be transferred according to law.

Transfers of H Shares shall be registered with the share registrar appointed by the Company in Hong Kong.

All transfers of H shares shall be effected by an instrument of transfer made in writing in a general or common form or in such other form acceptable to the Board of Directors (including the standard transfer format or transfer form prescribed by the Hong Kong Stock Exchange from time to time). The instrument of transfer can only be signed by hand or affixed with a seal of the Company (if the Company is the transferor or the transferee). Where the transferor or transferee is a recognized clearing house as defined by relevant regulations in the laws of Hong Kong effective from time to time (hereinafter referred to as the "Recognized Clearing House"), or any of its agents, the instrument of transfer may be signed by hand or by print. All instruments of transfer shall be kept at the legal address of the Company or other place designated by the Board of Directors from time to time.

A shareholder holding domestic unlisted shares shall, 30 days prior to implementing a transfer of such domestic unlisted shares, notify the Company in writing of the counterparty to the share transfer, the number of shares to be transferred, the price, the method of payment and the time limit for payment, and such shareholder shall not transfer his/her shares to the following entities (except where the Company issues a written waiver in respect of item (II)):

- (I) any entity that has been determined in writing or orally by securities regulatory authorities, stock exchanges or other regulatory authorities to have engaged in illegal conduct, or whose holding of equity interests in the Company would violate relevant laws and regulations or the provisions of the aforesaid regulatory authorities and affect the Company's listing review;
- (II) any entity that has an existing or potential competitive or substitutive relationship with the Company's principal business or future business development direction. The specific scope of such entities shall be formulated and updated by the Company from time to time.

Article 24 Where a shareholder holding domestic unlisted shares intends to transfer his/her domestic unlisted shares, the share transfer agreement shall stipulate that the transfer is subject to prior written confirmation from the Company that the counterparty does not fall within the scope of the entities specified in the preceding article or that the Company grants a waiver in respect of the counterparty pursuant to the preceding article. If a shareholder fails to timely notify the Company in writing of the relevant information as required in the preceding article, or implements the transfer without obtaining the Company's written confirmation, such share transfer shall not be effective against the Company. The shareholder, the counterparty or any other relevant party shall not request the Company to record the name or title and domicile of the transferee in the register of shareholders, nor request the Company to handle the registration of change with the company registration authority. Any loss or liability arising therefrom shall be borne by such shareholder.

Article 25 For any share transfer that complies with the provisions of the Articles of Association, the Company shall, after the transfer, record the name or title and domicile of the transferee in the register of shareholders. The transferee may claim and exercise shareholders' rights against the Company from the time his/her name or title is recorded in the register of shareholders.

Article 26 Shares issued prior to the Company's public offering of shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange. Where laws, administrative regulations or the securities regulatory authority of the State Council provide otherwise regarding the transfer by shareholders or de facto controllers of a listed company of the shares held by them in the Company, such provisions shall prevail.

Directors, supervisors and senior management of the Company shall report to the Company the shares of the Company held by them and any changes therein. During the term of office determined at the time of assuming office, the shares transferred each year shall not exceed 25% of the total number of shares of the Company held by him/her; the shares of the Company held by him/her shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer the shares of the Company held by him/her within six months after leaving office.

Where shares are pledged during a restricted transfer period as provided by laws or administrative regulations, the pledgee shall not exercise the pledge during such restricted transfer period.

Article 27 The Company shall not acquire its shares, except in any of the following circumstances:

- (I) decreasing the registered capital of the Company;
- (II) merging with other companies holding shares of the Company;
- (III) using shares for employee stock ownership plan or equity incentives;
- (IV) acquiring the shares of shareholders who vote against any resolution adopted at the shareholders' general meeting on the merger or division of the Company and request the Company to acquire their shares;
- (V) using shares for conversion of corporate bonds issued by the Company which are convertible into shares;
- (VI) being deemed necessary by the Company for the protection of the Company's value and shareholders' interests;
- (VII) other circumstances permitted by the securities regulatory rules of the place where the shares of the Company are listed.

Subject to the relevant securities regulatory rules of the place where the shares of the Company are listed, the Company may acquire its shares through public centralized trading or other ways as permitted by the laws, regulations, Hong Kong Listing Rules and relevant regulatory authorities.

Where the Company acquires its shares under the circumstances prescribed in items (I) and (II) of paragraph 1 of this article, such acquisition shall be approved by a resolution at a shareholders' general meeting. The acquisition by the Company of its own shares under circumstances as mentioned in items (III), (V) and (VI) of paragraph 1 of this article shall be proceeded by a public centralized trading method pursuant to the relevant securities regulatory rules of the place where the shares of the Company are listed and upon approval by a resolution at a meeting of the Board of Directors attended by more than two thirds of all directors. If it is otherwise specified in the securities regulatory rules of the place where the shares of the Company are listed, such rules shall prevail, subject to the Company Law, the Securities Law, the Guidelines for Articles of Association of Listed Companies and other relevant laws and regulations.

Subject to the relevant securities regulatory rules of the place where the shares of the Company are listed, the shares repurchased according to this article under the circumstance stipulated in item (I) hereof shall be cancelled within 10 days from the date of repurchase of shares; the shares shall be transferred or cancelled within six months if the repurchase of shares is made under the circumstances stipulated in either item (II) or item (IV); and the shares in the Company held in total by the Company after the repurchase of shares under any of the circumstances stipulated in item (III), item (V) or item (VI) shall not exceed 10% of the Company's total outstanding shares, and shall be transferred or cancelled within three years. If it is otherwise specified in the securities regulatory rules of the place where the shares of the Company are listed, such rules shall prevail, subject to the Company Law, the Securities Law, the Guidelines for Articles of Association of Listed Companies and other relevant domestic laws and regulations.

In acquiring its shares, the Company shall perform its obligation of information disclosure according to the provisions of the Securities Law and the securities regulatory rules of the place where the shares of the Company are listed.

Article 28 The Company or its subsidiaries (including its affiliates) shall not provide gifts, loans, guarantees or other financial assistance for the acquisition of the Company's shares by others, except for the implementation of the Company's employee stock ownership plan.

In the interest of the Company, the Company may, by resolution of the shareholders' general meeting or by resolution of the Board of Directors under the authorization of the shareholders' general meeting, provide financial assistance for the acquisition of the Company's shares by others, provided that the cumulative total amount of financial assistance shall not exceed 10% of the total amount of the issued share capital. Resolutions made by the Board of Directors shall require approval from two thirds of all directors.

If the violations of the provisions outlined in the previous two paragraphs result in losses to the Company, the responsible directors, supervisors, and senior management personnel shall be held liable for compensation.

Chapter 7 Shareholders and Shareholders' General Meeting

Section 1 Shareholders

Article 29 The Company shall make a register of shareholders in accordance with evidentiary documents provided by the securities registration authorities, which register bears adequate evidence of shareholders holding shares of the Company. The original register of holders of H shares shall be kept in Hong Kong for shareholders' inspection, but the Company may suspend the registration of shareholders in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the shares of the Company are listed, e.g., the equivalent provision of Section 632 of the Companies Ordinance. If the applicable laws, administrative regulations, departmental rules, regulatory documents and securities regulatory rules of the place where the shares of the Company are listed have special provisions on the suspension of the registration of changes in the register of shareholders, such provisions shall apply.

Shareholders shall enjoy rights and assume obligations according to the class of shares they hold. Shareholders holding shares of the same class shall enjoy equal rights and assume the same obligations.

Where holders of overseas listed H shares lose their share certificates and apply for reissuance, such matters may be handled in accordance with the laws of the place where the original register of holders of overseas listed H shares is kept, the rules of the securities exchange, or other relevant provisions.

In respect of joint holders of any shares, only the joint holder whose name stands first in the register of shareholders shall be entitled to receive share certificates in respect of such shares or receive notices from the Company, and any notice served on such person shall be deemed to have been served on all joint holders of the relevant shares. Any one of the joint holders may sign a proxy form; provided that if more than one joint holder is present in person or by proxy, the vote cast by the joint holder whose name stands first in the register of shareholders, whether in person or by proxy, shall be accepted as the sole vote on behalf of the other joint holders. For this purpose, the order of priority of joint holders shall be determined by the order in which joint holders appear in the register of shareholders in respect of the relevant shares. Each shareholder shall be entitled to appoint one representative, who need not be a shareholder of the issuer. Where a shareholder is a company, it may appoint one representative to attend any shareholders' general meeting of the issuer and vote thereat, and where such company has appointed a representative to attend any meeting, it shall be deemed to be present in person. A proxy form may be executed by a duly authorized person of the Company.

Where a shareholder is a Recognized Clearing House (or its agent) as defined under the relevant laws of Hong Kong, such shareholder may authorize one or more persons as it thinks fit to act as its proxy or representative at any shareholders' general meeting and creditors' meeting; provided that if more than one person is so authorized, the instrument of proxy or authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorized may exercise the rights of the Recognized Clearing House (or its agent) without producing evidence of shareholding, notarized authorization and/or further evidence to prove his/her due authorization, as if such person were an individual shareholder of the Company, including the right to vote individually on a show of hands where a show of hands is permitted.

If the Company convenes a shareholders' general meeting, distributes dividends, conducts liquidation or performs other activities that require determining the identity of the shareholders, the Board of Directors or the convener of the shareholders' general meeting shall determine the record date, and shareholders registered in the register of shareholders after market closing on the record date shall be shareholders who enjoy the relevant rights and interests.

Article 30 The shareholders of the Company shall have the following rights:

- (I) obtaining dividends and any other form of profit distribution based on the proportion of shares held by them;
- (II) requiring, convening, chairing, attending or appointing a proxy to attend a shareholders' general meeting pursuant to the laws and exercising the corresponding voting rights;
- (III) supervising, presenting suggestions on or making inquiries about the business operations of the Company;
- (IV) transferring, gifting or pledging their shares in accordance with laws, administrative regulations and the Articles of Association;

- (V) inspecting and replicating the Articles of Association, register of shareholders, minutes of shareholders' general meetings, resolutions of meetings of the Board of Directors, resolutions of meetings of the Board of Supervisors and financial and accounting reports;
- (VI) participating in the distribution of the Company's residual assets based on their shareholding upon termination or liquidation of the Company;
- (VII) requiring the Company to repurchase their shares in the event of objection to resolutions of the shareholders' general meetings concerning merger or division of the Company;
- (VIII) enjoying other rights stipulated by laws, administrative regulations, departmental rules or the Articles of Association.

Article 31 Shareholders requesting to inspect the relevant information or obtain the documents as described in the preceding article shall provide written documents to the Company to prove the type and quantity of shares held by them in the Company. Upon verification of the shareholders' identity, the Company shall provide the information or documents requested by the shareholder.

Article 32 If the content of any resolution of the shareholders' general meeting or the Board of Directors violates laws or administrative regulations, shareholders shall have the right to request a People's Court to declare such resolution invalid.

Where the procedures for convening a shareholders' general meeting or a meeting of the Board of Directors, or the voting methods violate laws, administrative regulations or the Articles of Association, or where the content of a resolution violates the Articles of Association, a shareholder shall have the right to petition a People's Court to revoke such resolution within sixty days from the date on which the resolution is adopted, unless there are only minor defects in the procedures for convening the meeting or in the voting methods that have no substantive impact on the resolution.

Article 33 If any director or senior management member violates the laws and administrative regulations or the Articles of Association in fulfilling his/her duties to the Company, thereby incurring any loss of the Company, the shareholders individually or jointly holding 1% or more shares of the Company for more than 180 days consecutively shall have the right to request the Board of Supervisors in writing to institute legal proceedings to the People's Court; if the Board of Supervisors violates the laws and administrative regulations or the Articles of Association in fulfilling his/her duties to the Company, thereby incurring any loss of the Company, the shareholders may request the Board of Directors in writing to institute legal proceedings to the People's Court.

If the Board of Supervisors or the Board of Directors refuses to institute legal proceedings after receipt of the written request from the shareholders as specified in the preceding paragraph or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may incur irrecoverable damage to the interests of the Company, the shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings to the People's Court in their own names in the interests of the Company.

Where others infringe upon the Company's legitimate rights and interests and cause losses to the Company, the shareholders as specified in the first paragraph of this article may institute legal proceedings in the People's Court pursuant to the provisions of the preceding two paragraphs.

If any director or senior management member violates the laws, administrative regulations or the Articles of Association, thereby damaging the interests of the shareholders, the shareholders may institute legal proceedings in the People's Court.

Article 34 The shareholders of the Company shall have the following obligations:

- (I) to abide by laws, administrative regulations and the Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to make divestment unless in the circumstances stipulated by laws and regulations;
- (IV) not to abuse shareholder's right to prejudice the interests of the Company or other shareholders; not to abuse the independent status of legal person of the Company or shareholder's limited liability to prejudice the interests of the creditors of the Company;
- (V) to assume other obligations as provided by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Shareholders of the Company who abuse shareholders' rights and cause losses to the Company and other shareholders shall be liable for compensation pursuant to the law. Shareholders of the Company who abuse the independent status of legal person of the Company and shareholders' limited liability to evade debts and severely infringe upon interests of the Company's creditors shall assume joint and several liabilities for the Company's debts.

Article 35 If a shareholder holding more than 5% of the Company's shares with voting rights pledges the shares held by him/her, he/she shall submit a written report to the Company on the day when such event occurs.

Article 36 The controlling shareholder and de facto controller of the Company shall not use their related-party relationships to harm the interests of the Company. Whoever violates the provisions and causes losses to the Company shall be liable for compensation.

The controlling shareholder and de facto controller of the Company shall perform fiduciary duty to the Company and general public shareholders thereof. The controlling shareholder shall exercise his/her rights as a contributor in strict accordance with law, shall not damage the legitimate rights and interests of the Company and general public shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation and loan guarantee and shall not abuse its controlling status to damage the interests of the Company and general public shareholders.

Section 2 Shareholders' General Meetings

Article 37 The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the organ of authority of the Company, and shall exercise following functions and powers:

- (I) to elect and replace directors and supervisors, and to determine the remuneration of the relevant directors and supervisors;
- (II) to consider and approve the reports of the Board of Directors;
- (III) to consider and approve the reports of the Board of Supervisors;
- (IV) to consider and approve the profit distribution plans and loss recovery plans of the Company;
- (V) to resolve on increase or decrease of the registered capital of the Company;
- (VI) to resolve on issuance of bonds of the Company;
- (VII) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (VIII) to amend the Articles of Association;
- (IX) to resolve on the engagement and dismissal of the accounting firm providing audit services for the Company;
- (X) to consider equity incentive scheme and employee stock ownership plan of the Company;
- (XI) to consider the Company's proposed investments in other enterprises that exceed the limits approved by the Board of Directors;
- (XII) to consider the Company's external loans and guarantees (except for entities within the scope of consolidated financial statements).

External guarantees of the Company (except for entities within the scope of the consolidated financial statements) shall be considered and approved by the Board of Directors and then submitted to the shareholders' general meeting for approval. External guarantees not approved by the competent decision-making body of the Company are invalid and the Company shall not bear any legal responsibility.

- (XIII) to consider matters regarding the purchase or sale of material assets by the Company within one year that exceed 30% of the latest audited total assets of the Company;
- (XIV) to consider and approve changes in the use of proceeds;

- (XV) to consider other matters which should be decided by the shareholders' general meeting as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Article 38 Shareholders' general meetings shall be convened by the Board of Directors. Independent non-executive directors shall be entitled to propose to the Board of Directors to convene an extraordinary shareholders' general meeting. Where independent non-executive directors propose to convene an extraordinary shareholders' general meeting, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, issue a written reply on whether or not to approve the convening of the extraordinary shareholders' general meeting within 10 days upon the receipt of the proposal. If the Board of Directors agrees to convene the extraordinary shareholders' general meeting, it shall serve a notice of such meeting within five days after such resolution is made. If the Board of Directors does not agree to convene the extraordinary shareholders' general meeting, it shall give the reasons and publish an announcement in respect thereof.

The Board of Supervisors shall be entitled to propose to the Board of Directors to convene an extraordinary shareholders' general meeting, and such proposal shall be made in writing to the Board of Directors. The Board of Directors shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' general meeting within 10 days after receipt of the proposal. If the Board of Directors agrees to convene the extraordinary shareholders' general meeting, it shall serve a notice of such meeting within five days after such resolution is made. Any change to the original proposal set forth in the notice shall be subject to approval by the Board of Supervisors.

On the one-share, one-vote basis, the shareholders holding 10% or more of the Company's shares (excluding treasury shares, if any) separately or in aggregate shall have the right to request the Board of Directors to convene an extraordinary shareholders' general meeting and such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association, reply in writing on whether or not to agree on the convening of the extraordinary shareholders' general meeting within 10 days upon the receipt of the request.

Where the Board of Directors agrees to convene the extraordinary shareholders' general meeting, it shall serve a notice of such meeting within five days after such resolution is made. Any change to the original request set forth in the notice shall be subject to approval by the relevant shareholders.

If the Board of Directors does not agree to convene the extraordinary shareholders' general meeting or fails to give a written reply within 10 days after receipt of the request, the shareholders holding more than 10% of the Company's shares separately or in aggregate shall have the right to propose to the Board of Supervisors on convening of an extraordinary shareholders' general meeting and such proposal shall be made to the Board of Supervisors in writing.

Where the Board of Supervisors gives consent for convening an extraordinary shareholders' general meeting, a notice of such meeting shall be issued within five days upon the receipt of the request and the changes to the original request set forth in the notice shall be subject to approval by the relevant shareholders.

Where the Board of Supervisors fails to issue a notice of a shareholders' general meeting within the stipulated period, the Board of Supervisors shall be deemed as not convening and chairing the shareholders' general meeting, and the shareholders who hold more than 10% of the Company's shares individually or jointly for more than 90 consecutive days may proceed to convene and chair a shareholders' general meeting on their own initiative.

If the shareholders' general meeting is convened by the Board of Supervisors or shareholders on their own, a written notice shall be issued to the Board of Directors, and such meeting shall be filed with the stock exchange of the place where the shares of the Company are listed.

The shares held by the convening shareholders prior to the announcement of the resolution of the shareholders' general meeting shall not be below 10% of the shares of the Company.

The Board of Supervisors or convening shareholders shall submit the relevant supporting materials to the securities regulatory authority of the place where the Company is registered and the stock exchange of the place where the shares of the Company are listed at the time of the issuance of notice of the shareholders' general meeting as well as of the announcement of the resolutions passed by such meeting.

With regard to the shareholders' general meeting convened by the Board of Supervisors or shareholders on its/their own initiative, the Board and the secretary to the Board shall offer cooperation. The Board of Directors shall provide a register of shareholders as of the record date.

The necessary expenses for the shareholders' general meeting convened by the Board of Supervisors or shareholders on their own shall be borne by the Company.

Article 39 Annual shareholders' general meetings shall be convened once a year within six months after the end of the preceding fiscal year. In any of the following circumstances, the Board of Directors shall convene an extraordinary shareholders' general meeting within two (2) months:

- (I) the number of directors falls short of the quorum stipulated in the Company Law or is less than two thirds of the number specified in the Articles of Association;
- (II) the unrecovered losses of the Company amount to one third of the total amount of its share capital;
- (III) when shareholders severally or jointly holding more than 10% shares of the Company request in writing to hold such meeting;
- (IV) when the Board of Directors deems necessary;
- (V) when the Board of Supervisors proposes to convene such meeting;
- (VI) other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association occur.

The shareholding percentage referred to in (III) above shall be calculated as per the shares of the Company held by the shareholder at the date on which such written request is made by such shareholder.

If the extraordinary shareholders' general meeting is convened in accordance with the provisions of the securities regulatory rules of the place where the shares of the Company are listed, the actual convening date of the extraordinary shareholders' general meeting may be adjusted in accordance with the relevant rules of the stock exchange of the place where the shares of the Company are listed (if applicable).

Article 40 The shareholders' general meeting of the Company shall be held at the domicile of the Company or any other place as specified in the notice of the shareholders' general meeting. The shareholders' general meeting shall have a venue, and shall be convened in the form of on-site meetings. The Company shall also provide online voting to facilitate shareholders' participation in the shareholders' general meeting. Shareholders attending the shareholders' general meeting through the aforementioned methods shall be deemed present.

Article 41 For a shareholders' general meeting to be held, a notice shall be given in written form (including via announcement) to each shareholder 20 days in advance, which shall state the time and venue of the meeting, and the matters to be deliberated at the meeting. For an extraordinary shareholders' general meeting, a notice shall be given in written form (including via announcement) to each shareholder 15 days in advance, unless all shareholders agree that the notice of this meeting may be exempted from the time limit or notification rules for notices.

The content of a proposal shall fall within the scope of the shareholders' general meeting's powers, have a clear topic and specific resolution items, and comply with relevant provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association of the Company.

Shareholder(s) severally or jointly holding more than 1% shares of the Company may submit written provisional proposals to the Board of Directors 10 days before a shareholders' general meeting is convened. The provisional proposals shall cover specific topics for discussion and specific issues to be resolved. The Board of Directors shall notify other shareholders within two days after receiving the proposal, announce the content of the provisional proposal, and submit the provisional proposal to the shareholders' general meeting for deliberation, except where the provisional proposal violates laws, administrative regulations or the Company's Articles of Association, or falls outside the scope of the powers of the shareholders' general meeting. Regarding the publication of supplementary notices for shareholders' general meeting, if there are special provisions in the securities regulatory rules of the place where the shares of the Company are listed, and provided that they do not violate applicable domestic laws and regulations such as the Company Law and the Guidelines for Articles of Association of Listed Companies, such provisions shall prevail. If, in accordance with the securities regulatory rules of the place where the shares of the Company are listed, the shareholders' general meeting needs to be postponed due to the publication of supplementary notices for the shareholders' general meeting, the convening of the shareholders' meeting shall be postponed in accordance with the securities regulatory rules of the place where the shares of the Company are listed.

Save as specified in the preceding paragraph, the convener shall not change the proposals set out in the notice of shareholders' general meeting or add any new proposal after the said notice is served via announcement.

The shareholders' general meeting shall not make resolutions on matters not listed in the notice or matters that do not comply with relevant provisions of laws, administrative regulations, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association of the Company.

Article 42 The notice of a shareholders' general meeting shall specify:

- (I) the time, venue and duration of the meeting;
- (II) the matters and proposals submitted for consideration at the meeting;
- (III) a clear statement that all shareholders of ordinary shares (including shareholders of preferred shares whose voting rights have been restored) are entitled to attend the shareholders' general meeting and appoint proxies in writing to attend and vote at such meeting and that such proxies need not be shareholders of the Company;
- (IV) the record date of shareholders entitled to attend the shareholders' general meeting;
- (V) the name and telephone number of the coordinator of the meeting;
- (VI) voting time and voting procedures online or by other means.

Notices or supplementary notices of shareholders' general meetings shall adequately and completely disclose the specific contents of all proposals. Where the opinions of an independent non-executive director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of shareholders' general meetings are served.

The Company allows hybrid shareholders' general meetings, enabling shareholders to attend the meetings virtually through technological means. The Company may also allow shareholders to vote via online or other electronic means, and shall clearly state in the notice of the shareholders' general meeting the voting time and voting procedures for the online or other means. The time to start voting at a shareholders' general meeting held via online or other means shall not be earlier than 3:00 PM of the day preceding the date of the onsite shareholders' general meeting or later than 9:30 AM of the date of the onsite shareholders' general meeting, and shall not conclude earlier than 3:00 PM of the date of the onsite shareholders' general meeting.

The interval between the record date and the date of the meeting shall not be more than 7 working days. The record date shall not be changed once confirmed.

After the notice of shareholders' general meeting is issued, the same meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall make an announcement and give the reasons therefor at least two workdays prior to the date on which the meeting is originally scheduled. If the convener is the Board of Directors or the Board of Supervisors, the Board of Directors or the Board of Supervisors shall convene a meeting to deliberate on the cancellation of the shareholders' general meeting. If the securities regulatory rules of the place where the shares of the Company are listed contain special provisions regarding the procedures for postponing or cancelling a shareholders' general meeting, such provisions shall be followed, provided they do not contravene domestic regulatory requirements.

Article 43 When the election of directors and supervisors is to be discussed at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information about the director and supervisor candidates, including at least the following:

- (I) whether there are any circumstances that disqualify the candidates from being nominated as a director or supervisor; whether they meet the eligibility requirements stipulated by laws, administrative regulations, departmental rules, regulatory documents, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association;
- (II) education background, work experience, part-time positions, and other personal information;
- (III) whether there is any related-party relationship with the Company, or its controlling shareholder or de facto controller;
- (IV) the number of shares held in the Company;
- (V) whether the candidates have been subject to penalties by the CSRC and other relevant departments, or disciplinary actions by the stock exchange;
- (VI) information concerning the new appointment, re-election or re-designation of directors or supervisors that is required to be disclosed under the Hong Kong Listing Rules.

Article 44 Shareholders (including proxies) may exercise their voting rights in respect of the number of shares held by them which carry the right to vote, and each share shall carry one vote, unless otherwise specified in laws, administrative regulations, departmental rules, regulatory documents and securities regulatory rules of the place where the shares of the Company are listed. At a poll, a shareholder (including a proxy) entitled to two or more votes is not required to cast all of his or her votes in favor of, against, or in abstention on a resolution.

When a shareholders' general meeting deliberates significant matters which have an impact on the interests of small and medium investors, the votes of small and medium investors shall be calculated separately. The separate counting results shall be disclosed responsively and publicly in accordance with relevant laws, regulations and securities regulatory rules of the place where the shares of the Company are listed.

The shares of the Company held by the Company itself shall have no voting right and shall not be included in the total number of shares with voting rights of the shareholders who are present at the shareholders' general meeting.

When any resolution is to be made at the shareholders' general meeting, it shall be adopted by shareholders representing more than half of the voting rights of the shareholders in presence. However, when the shareholders' general meeting makes a resolution to modify the Articles of Association, increase or reduce the registered capital, or address matters relating to the merger, division, dissolution or change in the corporate form, such a resolution shall be approved by more than two thirds of the voting rights (excluding treasury shares, if any) represented by the shareholders present at the shareholders' general meeting. If the issued share capital of the Company includes shares of different classes, matters involving amendments to the Articles of Association, increase or reduction of registered capital and mergers, divisions, dissolutions or changes in the corporate form of the Company which may affect the rights of the holders of different classes of shares shall, in addition to being resolved by a special resolution of a shareholders' general meeting in accordance with the provisions of this article, be approved by more than two thirds of the voting rights represented by the shareholders present at the class shareholders' general meetings.

If a shareholder purchases the Company's voting shares in violation of the provisions of Paragraphs 1 and 2 of Article 63 of the Securities Law, the shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after purchase and shall not be counted in the total number of voting shares present at the shareholders' general meeting.

If any shareholder must waive his/her voting rights on, or is restricted to voting only in favor of or against a certain resolution pursuant to applicable laws and regulations and the Hong Kong Listing Rules, any vote cast by that shareholder or his/her proxy in violation of the relevant provisions or restrictions shall not be counted in the voting results.

The Company's Board of Directors, independent non-executive directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations, or provisions of the CSRC may publicly solicit shareholders' voting rights. In the solicitation of shareholders' voting rights, specific voting intentions and other information shall be fully disclosed to the solicited parties. It is prohibited to solicit shareholders' voting rights in a paid or disguised paid manner. Except for statutory conditions, the Company shall not impose a minimum shareholding ratio restriction on the solicitation of voting rights.

When the shareholders' general meeting considers a connected transaction, the connected shareholders may provide appropriate representations regarding the transaction but shall not participate in the voting on the transaction. The number of shares with voting rights they represent shall not be included in the total number of valid votes. Voting on the connected transaction shall be carried out by the unconnected shareholders present at the meeting, and a majority of valid votes in favor of the connected transaction shall constitute approval. If the transaction involves a resolution to amend the Articles of Association, increase or decrease the registered capital, or address matters related to the merger, division, dissolution or change in corporate form of the Company, it requires approval from more than two thirds of the valid voting rights. The announcement of the resolution of a shareholders' general meeting shall fully disclose the votes of the unconnected shareholders.

Article 45 Except under special circumstances such as a crisis in the Company, the Company shall not enter into a contract with any person other than directors, general manager or other senior management members that delegates the management of all or significant business operations of the Company to such person, unless such contract is approved by the shareholders' general meeting through a special resolution.

Article 46 The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting for voting in the form of a proposal.

When the shareholders' general meeting votes on election of directors and supervisors, the cumulative voting system may be adopted according to the Articles of Association or the resolution of the shareholders' general meeting. Cumulative voting system shall be adopted if a single shareholder and its concerted parties hold 30% or more of the equity interests. Prior to the voting on director and supervisor candidates through the cumulative voting system at the shareholders' general meeting, the chairperson of the shareholders' general meeting shall clearly inform the attending shareholders of the adoption of cumulative voting for the election of directors or supervisors, and the secretary to the Board shall provide explanations and guidance on specific operational matters such as the cumulative voting method and ballot paper completion instructions.

Cumulative voting system mentioned in the preceding paragraph means that when directors or supervisors are being elected at a shareholders' general meeting, each share has as many voting rights as the number of directors or supervisors to be elected. The shareholders' voting rights may be used in a collective manner. Specifically, each share with valid voting rights held by a shareholder carries a number of votes equal to the total number of directors or supervisors to be elected at that shareholders' general meeting. The voting rights held by a shareholder equal the number of shares held by that shareholder times the total number of directors or supervisors to be elected. A shareholder may cast all his/her votes to elect one candidate director or supervisor, or may distribute his/her votes among several candidates. Ultimately, those candidates who receive the highest number of votes shall be elected as directors or supervisors. When implementing the cumulative voting system, voting shareholders shall indicate all the directors and supervisors they have elected on a single ballot and specify the number of votes they have allocated to each director and supervisor they have elected. If the total number of voting rights used by a shareholder on the ballot exceeds the total number of voting rights that the shareholder is legally entitled to, the ballot shall be invalid.

The Board of Directors shall publicly announce the resumes and basic information of the candidate directors and supervisors to the shareholders. Director and supervisor candidates shall possess the eligibility qualifications stipulated by laws, regulations, and the stock exchange of the place where the shares of the Company are listed, as well as the professional capabilities and knowledge levels commensurate with the performance of their duties.

The method and procedure for nominating director and supervisor candidates are as follows:

- (I) The current Board of Directors, or shareholders who individually or collectively hold more than 1% of the Company's shares, may nominate candidates for directors of the next Board of Directors or for supplementary directors, who are not employee representatives, provided that the number of nominated candidates does not exceed the number of directors to be elected. The current Board of Directors shall conduct a qualification review of the nominated candidates. If the candidates meet the eligibility requirements for directors upon review, the Board of Directors shall submit the proposal to the shareholders' general meeting for voting. Employee representative directors shall be democratically nominated and elected through a workers' representative assembly, a workers' assembly, or other forms, and shall directly enter the Board of Directors.

- (II) The current Board of Supervisors, or shareholders who individually or collectively hold more than 1% of the Company's shares, may nominate candidates for supervisors of the next Board of Supervisors or for supplementary supervisors, who are not employee representatives, provided that the number of nominated candidates does not exceed the number of supervisors to be elected. The current Board of Supervisors shall conduct a qualification review of the nominated candidates. If the candidates meet the eligibility requirements for supervisors upon review, the Board of Supervisors shall submit the proposal to the shareholders' general meeting for voting. Employee representative supervisors shall be democratically nominated and elected through a workers' representative assembly, a workers' assembly, or other forms, and shall directly enter the Board of Supervisors.
- (III) The current Board of Directors, the current Board of Supervisors, or shareholders who individually or collectively hold more than 1% of the Company's shares, may submit proposals to the shareholders' general meeting for candidates for independent non-executive directors. The current Board of Directors shall conduct a qualification review of these candidates. If the candidates meet the eligibility requirements for independent non-executive directors upon review, the Board of Directors shall submit the proposal to the shareholders' general meeting for voting.

The Board of Directors shall disclose detailed information of the director and supervisor candidates prior to the convening of the shareholders' general meeting. Director and supervisor candidates shall provide a written commitment prior to the convening of the shareholders' general meeting, agreeing to accept the nomination, undertaking that the disclosed information regarding the director and supervisor candidates is true and complete, and ensuring that they will diligently perform their duties upon election.

Article 47 Except for proposals that are subject to cumulative voting system for consideration, the shareholders' general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on in the order of time at which they are submitted. Unless the shareholders' general meeting is suspended or a resolution cannot be made due to special reasons including force majeure, the shareholders' general meeting shall not put off the proposals or refuse to vote on the proposals.

Article 48 The Board of Directors of the Company and other conveners shall take necessary measures to ensure the normal order of the shareholders' general meeting. Actions that disrupt the shareholders' general meeting, cause disturbances, or infringe upon the legitimate rights and interests of shareholders shall be stopped with measures, and shall be promptly reported to the relevant departments for investigation.

Article 49 All shareholders registered in the register of shareholders on the record date or their proxies have the right to attend the shareholders' general meeting, and speak and exercise voting rights at the meeting in accordance with the relevant laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company 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 shares of the Company are listed).

A shareholder may either attend the shareholders' general meeting(s) in person, or appoint one or more persons as his or her proxy(ies) to attend, speak and vote on his/her behalf. Such proxy need not be a shareholder of the Company.

Article 50 If an individual shareholder attends the meeting in person, he/she shall present his/her ID card or other valid identification certificate or document; if he/she appoints a proxy to attend the meeting, the proxy shall present his/her valid ID card, the shareholder's power of attorney and a copy of the principal's valid identification document.

Corporate shareholders shall be represented by the legal representative or a proxy authorized by the legal representative at the meeting. The legal representative attending the meeting shall present his/her ID card and valid proof of his/her legal representative status; if a proxy is authorized to attend the meeting, the proxy shall present his/her ID card and a written power of attorney issued by the legal representative of the corporate shareholder according to law (except where the shareholder is a Recognized Clearing House or its agent).

Article 51 A shareholder who appoints a proxy to attend the shareholders' general meeting shall specify the matters delegated and the scope and term of authorization, and the proxy is required to submit the shareholder's power of attorney to the Company and exercise the voting rights within the scope of authorization.

The power of attorney used by shareholders to appoint proxies to attend the shareholders' general meeting shall contain the following information:

- (I) the name of the proxy;
- (II) whether or not the proxy has any voting right;
- (III) instructions to vote for or against or abstain from voting on each matter under consideration included in the agenda of the shareholders' general meeting;
- (IV) the date of issue and validity period of the power of attorney;
- (V) signature (or seal) of the principal. If the principal is a corporate shareholder, the corporate seal shall be affixed.

Such a power of attorney shall specify that in default of directives from the shareholder, the proxy may vote at his/her own discretion.

Article 52 Where the instrument of proxy is signed by a person authorized by the principal, the power of attorney or other documents authorizing such person to sign the instrument of proxy shall be notarized. The notarized power of attorney or other authorization documents, together with the instrument of proxy, shall be lodged at the address of the Company or at other places specified in the notice of meeting at least before the meeting that requires the votes to be cast or before the designated voting time.

Where the principal is a legal person, its legal representative or a person authorized by the Board of Directors or other decision-making body shall attend the shareholders' general meeting of the Company on its behalf.

Article 53 The meeting register of attendees shall be prepared by the Company. The register shall record the names of the attendees (or the names of the entities), their ID card numbers, residential addresses, the number of shares with voting rights held or represented, the names of the principals (or the names of the entities), etc.

Article 54 The convener and the lawyer appointed by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing organization, and shall register the names (or corporate names) of the shareholders as well as the number of their voting shares. Meeting registration shall be terminated before the presider of the meeting announces the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held.

Article 55 All directors, supervisors and secretary to the Board shall attend shareholders' general meetings of the Company, and the general manager and other senior management shall be present at the meetings without voting rights, except in cases where attendance or presence is impossible due to objective reasons. Subject to compliance with the securities regulatory rules of the place where the shares of the Company are listed, the aforementioned individuals shall be permitted to attend or be present at meetings via the Internet, video conference, telephone, or other means of equivalent effect.

Article 56 Shareholders' general meetings shall be presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors cannot or fails to fulfill the duty thereof, the vice-chairman of the Board of Directors shall preside; where even the vice-chairman of the Board of Directors cannot or fails to fulfill the duty thereof, the majority of the directors shall jointly elect a director to preside.

A shareholders' general meeting convened by the Board of Supervisors itself shall be presided over by the chairman of the Board of Supervisors. Where the chairman of the Board of Supervisors cannot or fails to fulfill the duty thereof, the vice-chairman of the Board of Supervisor shall preside; where even the vice-chairman of the Board of Supervisor cannot or fails to fulfill the duty thereof, the majority of the supervisors shall jointly elect a supervisor to preside.

A shareholders' general meeting convened by the shareholders themselves shall be presided over by a representative elected by the convener(s). If for any reason the convener(s) cannot elect a representative to preside over the meeting, the shareholder (including proxy thereof) holding the most voting shares among the convener(s) shall preside over the meeting.

When a shareholders' general meeting is held and the presider of the meeting violates the rules of procedure, which makes it difficult for the shareholders' general meeting to continue, with the consent of shareholders holding more than half of the voting rights physically present at the meeting, the shareholders' general meeting may elect a person to serve as the presider to continue the meeting.

Article 57 The Company shall formulate rules of procedure for shareholders' general meetings which shall specify in detail the convening and voting procedures of shareholders' general meetings, covering notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, announcements and other contents, and the principles of authorization to the Board of Directors by the shareholders' general meeting. The authorization shall be clear and specific. The rules of procedure for shareholders' general meetings shall be annexed to the Articles of Association and shall be formulated by the Board of Directors and approved by the shareholders' general meeting.

Article 58 At the annual shareholders' general meeting, the Board of Directors and the Board of Supervisors shall submit reports on their work undertaken over the past year to the shareholders' general meeting. Every independent non-executive director shall also make his/her work reports.

Article 59 The directors, supervisors and senior management shall make explanations in relation to the inquiries and suggestions made by shareholders at shareholders' general meetings except that the trade secrets of the Company are involved and cannot be disclosed at the shareholders' general meeting.

Article 60 The presider of the meeting shall, prior to voting, announce the number of shareholders and proxies physically attending the meeting and the total number of their voting shares. The number of shareholders and proxies physically attending the meeting and the total number of their voting shares shall be based on those registered at the meeting.

Article 61 The secretary to the Board shall keep minutes of decisions on matters discussed at the shareholders' general meeting.

The meeting minutes shall specify:

- (I) time, venue and agenda of the meeting, and the name of the convener;
- (II) the names of the presider of the meeting, and the directors, supervisors, general manager and other senior management attending or present at the meeting;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the proportion of these shares to the total number of shares of the Company;
- (IV) the consideration process, key points of speeches and voting results for each proposal;
- (V) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;
- (VI) the names of the lawyer, vote counter and scrutineer;
- (VII) other contents that shall be recorded in the meeting minutes in accordance with opinions of the shareholders' general meeting or provisions of the Articles of Association.

Article 62 The convener shall ensure that the shareholders' general meeting is held continuously until a final resolution is made. If the shareholders' general meeting is terminated or the shareholders fail to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or the meeting shall be terminated directly, with prompt public disclosure. Meanwhile, the convener shall report to the local office of the CSRC in the location of the Company and the stock exchange where the shares of the Company are listed.

Article 63 No amendment shall be made to a proposal when it is considered at a shareholders' general meeting; otherwise, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the current shareholders' general meeting.

Article 64 The same voting right can only be exercised in one form: onsite, over the network, or otherwise. Where the same voting right is exercised more than once, the result of the first voting shall prevail.

Article 65 Shareholders shall have the right to (1) speak and (2) vote at the shareholders' general meeting, unless individual shareholders are required by the Listing Rules to abstain from voting on specific matters. Shareholders' general meetings shall adopt voting by open ballot.

Article 66 Before proposals are voted on at the shareholders' general meeting, two shareholder representatives shall be elected to participate in the vote counting and vote scrutiny. When a shareholder is connected to a matter under consideration, such shareholder and the proxy thereof shall not participate in the vote counting or vote scrutiny.

When proposals are voted on at the shareholders' general meeting, the lawyer, shareholder representatives and supervisor representatives shall be jointly responsible for counting and scrutinizing votes and shall announce the voting results on the spot. The results of the votes on the resolutions shall be recorded in the meeting minutes.

Shareholders or proxies thereof who cast their votes online or by other means shall have the right to check their voting results via the corresponding voting system.

Article 67 An on-site shareholders' general meeting shall not end earlier than the one held over the Internet or by other methods. The presider of the meeting shall declare the information and result of voting on each proposal and whether such proposal has been adopted based on the voting results.

Prior to the formal announcement of voting results, all relevant parties involved in voting on site, through the Internet and by other means at the shareholders' general meeting, such as the companies, vote counters, scrutineers, substantial shareholders, and Internet service provider, shall be obliged to keep the status of voting confidential.

Article 68 Apart from any mandatory abstention from voting, shareholders attending any shareholders' general meeting shall vote for or against or abstain from voting on each proposal submitted to the meeting for voting, except where the securities registration and clearing organization, as the nominee of shares under the Chinese Mainland and Hong Kong Stock Connect scheme, or a Recognized Clearing House or its agent acting as a nominee as defined under the applicable laws, regulations or ordinances of the Mainland China and Hong Kong from time to time in force, submits votes according to the intention of the actual holders.

Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as "abstentions".

Article 69 If the presider of the meeting has any doubt as to the results of the resolutions submitted for voting, he/she may conduct a recount of the votes cast. If the presider of the meeting does not conduct a recount, any shareholder attending the meeting in person or by proxy shall have the right to request a recount immediately after the voting result is declared by the presider of the meeting if such shareholder or proxy thereof objects to the voting result, in which case, the presider of the meeting shall immediately conduct a recount.

Article 70 Resolutions of the shareholders' general meeting shall be announced in time in accordance with relevant laws, regulations, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the proportion of these shares to the total number of voting shares of the Company, the voting method, the voting result for every proposal and the details of each of the resolutions passed.

Article 71 Where a proposal has not been passed or the resolutions of the preceding shareholders' general meeting have been changed at the current shareholders' general meeting, special note shall be made in the announcement of the resolutions of the shareholders' general meeting.

Article 72 Where a proposal on election of directors or supervisors is passed at the shareholders' general meeting, the term of office of the new directors or supervisors shall commence from the date specified in the relevant election proposal. If the relevant election proposal does not specify the commencement date of the term of office of the new directors or supervisors, the commencement date of the term of office of the new directors or supervisors shall be the date on which the resolution is passed at the shareholders' general meeting or the date specified in the resolution of the shareholders' general meeting.

Article 73 Where a proposal on payment of cash dividends, issue of bonus shares or conversion of capital reserve fund into share capital is passed at a shareholders' general meeting, the Company shall implement the specific scheme within two months after conclusion of the shareholders' general meeting. If it is not possible to implement the specific scheme within two months due to the provisions of laws, regulations and securities regulatory rules of the place where the shares of the Company are listed, the implementation date of the specific scheme may be adjusted accordingly based on those provisions and actual circumstances.

Chapter 8 Board of Directors

Section 1 Directors

Article 74 Directors of the Company may include executive directors, non-executive directors and independent non-executive directors. Non-executive directors refer to directors who do not hold operational management positions in the Company, and independent non-executive directors refer to persons who are independent and do not have any relationship with the Company and its substantial shareholders that may prevent them from exercising independent and objective judgments.

Article 75 A director is elected or replaced by the shareholders' general meeting, and his/her position may be terminated by the shareholders' general meeting before the expiration of his/her term of office. The term of office for directors is three years. Upon the expiration of a director's term, he/she may be re-elected for consecutive terms in accordance with the securities regulatory rules of the place where the shares of the Company are listed. The Board of Directors has the power to appoint any person to fill a temporary vacancy on the Board or to increase the number of directors on the Board. Any person so appointed by the Board to fill a temporary vacancy or increase the Board's size shall hold office only until the issuer's first annual shareholders' general meeting following his/her appointment and shall be eligible for re-election at that meeting.

The term of office of a director shall commence from the date on which the said director assumes office to the expiry of the current session of the Board of Directors. If the term of office of a director expires but re-election is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until the newly elected director takes office.

General manager or other senior management member may concurrently serve as a director, provided that the aggregate number of directors who concurrently serve as general manager or other senior management members and directors who are employee representatives shall not exceed one half of the total number of directors of the Company.

The Company currently does not have directors who are employee representatives.

Article 76 If any director fails to attend Board meetings in person or by proxy for two consecutive times, the said director shall be deemed incapable of performing his/her duties, and the Board of Directors shall suggest that the shareholders' general meeting replace the said director.

Article 77 A director may tender a resignation before his/her term of office expires. A director's resignation shall be submitted to the Board of Directors in writing. The Board of Directors will disclose relevant information within two days.

If any director resigns so that the number of members of the Board falls short of the quorum, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and the Articles of Association until the newly elected director takes office.

Save as provided in the preceding paragraph, a director's resignation shall be effective when his/her resignation is served to the Board of Directors.

Article 78 Provided that the laws, administrative regulations or the Articles of Association are not violated, shareholders shall have the right to remove any directors (including managing or other executive directors) prior to the expiry of their terms of office by way of an ordinary resolution at a shareholders' general meeting; however, such removal shall not prejudice any claims for damages such directors may have under any contracts, and shall take effect on the date the resolution is adopted.

If a director tenders a resignation or his/her term of office expires, the said director shall go through all handover formalities with the Board. His/her obligations of loyalty to the Company and shareholders shall not terminate automatically upon expiry of his/her term of office but shall remain valid within a reasonable period specified in the Articles of Association. His/her confidentiality obligations in respect of any trade secrets of the Company shall survive after expiry of his/her term of office until such secrets become known to the public. The specific period during which a director shall continue to bear obligations of loyalty after his/her resignation becomes effective or his/her term of office expires is one year from the date such resignation becomes effective or the term of office expires. Other obligations may continue for such period as the principle of fairness may require depending on the length of time between the occurrence of the event and his/her resignation, and the circumstances and conditions under which his/her relationship with the Company is terminated.

Article 79 If any director violates the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the shares of the Company are listed or the Articles of Association in fulfilling his/her duties, thereby incurring any loss of the Company, the said director shall be liable for compensation. Any director who has left his/her office without authorization or is negligent in performing his/her duties before his/her term of office expires and thereby caused the Company to incur a loss shall be liable for compensation.

Article 80 Independent non-executive directors shall act in accordance with laws, administrative regulations, departmental rules, and the relevant provisions of the CSRC and the stock exchange where the shares of the Company are listed.

Section 2 Board of Directors

Article 81 The Board of Directors shall consist of nine directors, including six non-independent non-executive directors and three independent non-executive directors, all of whom are elected by the shareholders' general meeting. At least one of the independent non-executive directors shall be a financial or accounting professional as determined by the Listing Rules of the Stock Exchange.

Article 82 A director shall serve a term of three years, and may seek re-election for consecutive terms upon expiry of the said term. If the term of office of a director expires but re-election is not made responsively, or the director's resignation before expiry of his/her term of office causes the number of members of the Board of Directors to fall short of the quorum, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations and the Articles of Association until the newly elected director takes office.

Article 83 The Board of Directors shall exercise the following functions and powers:

- (I) to convene the shareholders' general meetings and report to the shareholders' general meetings on its work;
- (II) to execute resolutions of the shareholders' general meetings;
- (III) to determine the Company's operational plans and investment plans;
- (IV) to formulate the Company's profit distribution plans and loss recovery plans;
- (V) to formulate the Company's plans on the increase or reduction of its registered capital and on the issuance of corporate bonds;
- (VI) to formulate the Company's plans on the merger, division, dissolution or transformation of the Company;
- (VII) to make decisions on the establishment of the Company's internal management departments;

- (VIII) to decide on the appointment and dismissal and remuneration of the general manager and the secretary to the Board of the Company as nominated by the chairman of the Board of Directors; the deputy general manager, chief financial officer and other senior management as nominated by the chairman of the Board of Directors or the general manager after consideration and approval by the Nomination Committee;
- (IX) to develop the Company's basic management system;
- (X) to decide on the Company's investment in other enterprises within the specified limits;
- (XI) to formulate proposals for amendments to the Articles of Association;
- (XII) to manage the Company's information disclosure matters;
- (XIII) to decide on the employment or dismissal of accounting firms responsible for the auditing of the Company;
- (XIV) to listen to the work reports of the Company's managers and review their performance;
- (XV) to consider contracts or transactions entered into directly or indirectly between the Company and directors, supervisors, senior management and enterprises controlled by them, or close relatives of directors, supervisors and senior management and enterprises controlled by those relatives, or other related parties associated with directors, supervisors, and senior management;
- (XVI) to consider matters that are required by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed, or the Articles of Association to be determined by the Board of Directors;
- (XVII) to exercise other functions and powers granted by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed, or the Articles of Association.

The Board of Directors shall have an Audit Committee, Remuneration Committee and Nomination Committee, and may establish relevant special committees such as the Strategy Committee as needed. The special committees shall be accountable to the Board and fulfill duties as specified in the Articles of Association and as authorized by the Board, and proposals of the committees shall be submitted to the Board for examination and decision. Members of special committees are comprised entirely of directors. The Audit Committee requires a minimum of three members, all of whom must be non-executive directors. For the Nomination Committee and the Remuneration Committee, a majority of the members must be independent non-executive directors. The Board of Directors is responsible for formulating the working rules of special committees to regulate their operations. Where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the composition of special committees, such provisions shall prevail.

Matters that exceed the scope of authority granted by the shareholders' general meeting shall be submitted to the shareholders' general meeting for consideration.

Article 84 The Board of Directors shall make explanations to the shareholders' general meeting in relation to the non-standard audit opinions produced by certified public accountants on the financial reports of the Company.

Article 85 The Board of Directors shall formulate rules of procedure for meetings of the Board of Directors to ensure its execution of resolutions of the shareholders' general meeting, enhance the work efficiency, and ensure scientific decision-making. The rules of procedure for meetings of the Board of Directors shall be annexed to the Articles of Association and shall be formulated by the Board of Directors and approved by the shareholders' general meeting.

Article 86 The Board of Directors shall determine its authority over matters such as external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions, and external donations, and shall establish strict review and decision-making procedures. Major investment projects shall be reviewed by relevant experts and professionals and submitted to the shareholders' general meeting for approval.

Article 87 The Board of Directors shall have one chairman and may have a vice-chairman. The chairman and vice-chairman are elected by a majority vote of all the directors on the Board of Directors. The chairman of the Board of Directors shall convene and preside over Board meetings, and review the implementation of Board resolutions. The vice-chairman of the Board of Directors shall assist the chairman in performing duties thereof. If the chairman of the Board of Directors is unable or fails to perform duties thereof, such duties shall be performed by the vice-chairman. In the event that the vice-chairman of the Board of Directors is unable or fails to perform duties thereof, a director shall be elected jointly by more than a half of the directors to perform such duties.

Article 88 The Board of Directors shall convene at least four meetings every year and notice of a meeting shall be sent to all directors 14 days before such meeting.

Extraordinary Board meetings may be convened upon proposal by shareholders representing one tenth or more of the total voting rights, by one third or more of the directors, or by the Board of Supervisors. The chairman of the Board of Directors shall convene and preside over a Board meeting within 10 days after receipt of the proposal.

Notice of an extraordinary Board meeting may in principle be delivered to all the directors in person, by fax, mail, or email three days prior to the meeting. However, where the circumstance is urgent and requires an extraordinary Board meeting to be convened as soon as possible, the notice of meeting may be sent at any time by email or telephone or by other verbal means, but the convener shall make explanations at the meeting.

Article 89 A notice of Board meeting shall specify:

- (I) date and venue of the meeting;
- (II) duration of the meeting;
- (III) reasons and topics for discussion;
- (IV) date on which the notice is sent.

Article 90 The Board of Directors may hold its meetings and conduct its voting either through in-person attendance or by employing electronic communication as the Company deems appropriate or as suggested by the directors.

Article 91 No meeting of the Board of Directors may be held unless a majority of directors are present. Any resolution of the Board of Directors shall be adopted by a majority of directors.

Each director shall have one vote in any resolution put to a vote of the Board of Directors.

If a director has a related party relationship with the enterprise or individual involved in the matters being resolved at the meeting of the Board of Directors, that director shall promptly report in writing to the Board of Directors. Directors with a related party relationship shall not exercise their voting rights on that resolution nor act as a proxy for other directors to exercise voting rights. A meeting of the Board of Directors may be held with the attendance of a majority of the unrelated directors, and the resolutions made at the meeting of the Board of Directors must be approved by a majority of the unrelated directors. If the number of unrelated directors attending the meeting of the Board of Directors is less than three, the matter shall be submitted to the shareholders' general meeting for consideration. If there are any additional restrictions under laws, regulations, or securities regulatory rules of the place where the shares of the Company are listed regarding directors' participation in meetings of the Board of Directors and voting, those provisions shall apply.

Article 92 Directors shall attend Board meetings in person. If any director cannot attend the meeting for any reason, he/she may issue a written power of attorney to authorize another director to attend the meeting on behalf thereof, which power of attorney shall specify the name of the proxy, the matters to be handled in proxy, scope of authorization and validity period, and shall bear the signature or seal of the principal. The director attending the meeting on behalf of another director shall exercise the rights of directors within the scope of authorization. If a director fails to attend a Board meeting in person or by proxy, the said director shall be deemed as having waived his/her right to vote at the meeting.

The directors shall be responsible for the resolutions passed at Board meetings. Where a resolution of the Board violates laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meeting, thereby causing serious losses to the Company, the directors participating in the resolution shall be liable for compensation to the Company; however, the director may be exempted from liability if it is proved that he/she expressed his/her objection at the time of voting, which is recorded in the minutes of the meeting.

Article 93 The chairman of the Board of Directors shall exercise the following functions and powers:

- (I) to convene and preside over meetings of the Board of Directors, review the implementation of meetings of the Board of Directors, and report on work to the shareholders' general meeting and the Board of Directors;
- (II) to execute resolutions of the shareholders' general meeting and the Board of Directors;
- (III) to propose the appointment or dismissal of the Company's general manager, secretary to the Board and other senior management;

- (IV) to decide on the appointment or dismissal of management personnel, except for those whose appointment or dismissal should be determined by the Board of Directors;
- (V) to exercise the powers of the legal representative as specified in the Articles of Association.

Article 94 The Board of Directors shall make meeting minutes of the matters discussed at the meeting, and the directors present shall sign the meeting minutes.

The minutes of meeting of the Board of Directors shall be kept as part of the Company's archives for a period of not less than 10 years.

Article 95 The minutes of meeting of the Board of Directors shall include the following content:

- (I) time and place of the meeting and name of the convener;
- (II) name of directors present at the meeting and name of director (agent) appointed to be present at the meeting of the Board of Directors on behalf of others;
- (III) agenda of the meeting;
- (IV) key points of the directors' speeches;
- (V) the voting method and results for each resolution (the voting results shall specify the number of votes for, against, or abstentions);
- (VI) any other matters that attending directors believe should be recorded.

Chapter 9 Composition and Powers and Functions of Senior Management

Article 96 The Company shall have one general manager and the position for deputy general manager, one chief financial officer, and one secretary to the Board. The general manager, deputy general manager, chief financial officer and secretary to the Board are considered senior management members of the Company and shall be appointed or dismissed by the Board of Directors. The Board of Directors may decide that members of the Board serve concurrently as managers.

Article 97 The general manager shall serve a term of three years and may be re-elected for consecutive terms.

Article 98 The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

- (I) to be in charge of the Company's production, operation and management, and to organize the implementation of the resolutions of the Board of Directors;
- (II) to organize the implementation of the Company's annual business plan and investment plans;

- (III) to draft plans for the establishment of the Company's internal management structure;
- (IV) to draft the Company's basic management system;
- (V) to formulate specific rules and regulations for the Company;
- (VI) to propose the appointment or dismissal of the Company's deputy general manager and chief financial officer;
- (VII) to exercise other functions and powers conferred by the Board of Directors.

The general manager shall attend meetings of the Board of Directors.

Article 99 The general manager shall formulate working rules of the general manager, which shall be implemented after being approved by the Board of Directors.

Article 100 The working rules of the general manager shall contain the following contents:

- (I) conditions, procedure and participants of the general manager office's meeting;
- (II) responsibilities and work allocation of the general manager and other senior management of the Company;
- (III) use of funds and assets of the Company, scope of authorization to enter into major contracts and reporting policies regarding the Board of Directors and the Board of Supervisors;
- (IV) other matters which the Board of Directors deems necessary.

Article 101 The general manager may resign before expiry of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be specified in the employment contract concluded by the general manager and the Company.

Article 102 The deputy general manager shall assist the general manager in his/her work, be responsible for related tasks upon entrustment by the general manager, and issue relevant business documents within the scope of his/her duty. When the general manager is unable to exercise his/her authority, the deputy general manager may act on behalf of the general manager as entrusted.

Article 103 The Company shall have a secretary to the Board, who shall be responsible for the preparation of the shareholders' general meetings and meetings of the Board of Directors, preservation of documents and management of the information of the Company's shareholders, and handle matters related to information disclosure, etc.

The secretary to the Board shall observe pertinent provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Article 104 If any senior management member violates laws, administrative regulations, departmental rules or the Articles of Association in performing his/her official duties, thereby incurring any loss of the Company, the said senior management member shall be liable for compensation.

Article 105 The senior management members of the Company shall faithfully perform their duties to protect the best interests of the Company and all shareholders. Where senior management members of the Company, due to failure to faithfully perform their duties or breach of the obligation of good faith, cause harm to the interests of the Company and its public shareholders, they shall be liable for compensation according to law.

Chapter 10 Board of Supervisors

Section 1 Supervisors

Article 106 The directors, general manager and other senior management shall not act concurrently as supervisors.

Article 107 Supervisors shall observe laws, administrative regulations and the Articles of Association, shall fulfill the obligations of loyalty and diligence to the Company, and shall not abuse their official powers to seek bribes or other unlawful gains or expropriate the Company's property.

Article 108 Each supervisor shall serve a term of three years, which term is renewable upon re-election following its expiration.

Article 109 If the term of office of a supervisor expires but re-election is not made responsively, or the supervisor's resignation before expiry of his/her term of office causes the number of members of the Board of Supervisors to fall short of the quorum, the said supervisor shall continue fulfilling the duties as supervisor pursuant to laws, administrative regulations and the Articles of Association until the newly elected supervisor takes office.

Save as provided in the preceding paragraph, a supervisor's resignation shall be effective when his/her resignation is served to the Board of Supervisors.

Article 110 Supervisors shall ensure the information disclosed by the Company is true, accurate and complete, and sign to confirm the regular reports of the Company in writing.

Article 111 Supervisors may attend Board meetings and make inquiries about or present suggestions on the resolutions of Board meetings.

Article 112 Supervisors shall not abuse their affiliated relationships to damage the interests of the Company, and shall compensate the Company for any losses arising therefrom.

Article 113 If any supervisor violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her official duties, thereby causing losses to the Company, the said supervisor shall be liable for compensation.

Section 2 Board of Supervisors

Article 114 The Company shall have a Board of Supervisors consisting of three members, of whom two shall be elected by the shareholders' general meeting, and one shall be an employee representative of the Company. The employee representative on the Board of Supervisors shall be elected by the employee representative meeting.

Article 115 The Board of Supervisors shall have one chairman and may have a vice-chairman. The chairman and vice-chairman of the Board of Supervisors are elected by a majority vote of all the supervisors. The chairman of the Board of Supervisors shall convene and preside over meetings of the Board of Supervisors. If the chairman of the Board of Supervisors is unable or fails to perform his/her duties, the vice-chairman of the Board of Supervisors shall convene and preside over meetings of the Board of Supervisors. If the vice-chairman of the Board of Supervisors is unable or fails to perform his/her duties, a supervisor jointly nominated by a majority of the supervisors shall convene and preside over meetings of the Board of Supervisors.

Article 116 The Board of Supervisors shall exercise the following functions and powers:

- (I) to review the Company's financial position;
- (II) to supervise the performance of official duties by the directors and senior management, and to propose a removal of any director or senior management member in violation of any laws, administrative regulations, the Articles of Association or resolution adopted at the shareholders' general meeting;
- (III) to demand any director or senior management member who acts in a manner which is harmful to the Company's interest to rectify such behavior;
- (IV) to propose to convene an extraordinary shareholders' general meeting, and to convene and preside over shareholders' general meetings where the Board of Directors fails to perform its duty to do so as required by the Company Law;
- (V) to submit proposals to shareholders' general meetings;
- (VI) to initiate legal proceedings against any director or senior management member according to Article 189 of the Company Law;

Article 117 Meetings of the Board of Supervisors shall be held at least once every six months. Supervisors may propose to convene an extraordinary meeting of the Board of Supervisors.

Notice of a meeting of the Board of Supervisors shall be served to all the supervisors 10 days prior to the meeting. Notice of an extraordinary meeting of the Board of Supervisors may in principle be delivered to all the supervisors in person, by fax, mail, or email three days prior to the meeting. However, where the circumstance is urgent and requires an extraordinary meeting of the Board of Supervisors to be convened as soon as possible, the notice of meeting may be sent at any time by email or telephone or by other verbal means, but the convener shall make explanations at the meeting.

Article 118 Meetings of the Board of Supervisors shall be attended by more than half of the supervisors. Resolutions made at a meeting of the Board of Supervisors shall be approved by more than half of all the supervisors.

Resolutions of the Board of Supervisors shall be voted as per “one person, one vote” system.

The Board of Supervisors shall make minutes of the decisions made on the matters discussed, and the supervisors present at the meeting shall sign the minutes. Any supervisor shall be entitled to have an explanatory note made in the minutes regarding his/her speech at the meeting. The minutes of meetings of the Board of Supervisors shall be kept as archives of the Company for at least 10 years.

Article 119 The manner in which the Board of Supervisors convenes meetings and conducts voting may either be through holding physical meetings or through electronic communication, as determined by the Company based on the needs of the situation or at the proposal of supervisors.

Article 120 The notice of a meeting of the Board of Supervisors shall specify:

- (I) time, venue and duration of the meeting;
- (II) reasons and topics for discussion;
- (III) date on which the notice is sent.

Chapter 11 Methods for the Election and Change of the Company’s Legal Representative

Article 121 The Company’s legal representative shall be a director who is engaged in the Company’s business operations.

Article 122 The legal consequences of civil activities conducted in the Company’s name by the legal representative shall be borne by the Company. If the legal representative causes harm to others while performing their duties, the Company shall bear civil liability. After the Company has borne civil liability, it may, in accordance with legal provisions, seek recourse from the legal representative if they were at fault.

Article 123 Any change to the legal representative shall be registered within 30 days from the date the resolution or decision for the change is made. The application for change of registration shall be signed by the newly appointed legal representative.

Chapter 12 Qualifications and Obligations of Directors, Supervisors and Senior Management of the Company

Article 124 Any person who falls under any of the following circumstances shall not serve as a director, a supervisor or a member of the senior management of the Company:

- (I) is without capacity or with limited capacity for civil conduct;
- (II) was imposed criminal penalty due to taking graft or committing bribery, infringing upon property, embezzling property or disrupting socialism market economic order, or is deprived of political rights due to offence and five years have not elapsed since completion of the enforcement of the criminal penalty; or if the person has been granted a suspended sentence, two years have not elapsed since the expiration of the probation period;
- (III) ever was the director, factory director or manager of any company or enterprise which was bankrupted and liquidated and was personally responsible for the bankruptcy of such company or enterprise, and it is less than three years since the completion of liquidation for the bankruptcy of the company or enterprise;
- (IV) ever was the legal representative of any company or enterprise whose business license was revoked or which was ordered to close down due to illegal activities and was personally responsible for such illegal activities, and it is less than three years since the revocation of business license or closure of business of the company or enterprise;
- (V) has failed to repay a relatively large amount debt upon maturity and has been listed by the People's Court as a dishonest person subject to enforcement;
- (VI) has been subjected to market entry prohibition measures by the CSRC, and the specified period has not yet expired;
- (VII) other matters specified by laws, administrative regulations, departmental rules, and the listing rules at the location where the Company's shares are listed.

Any election or appointment of directors and supervisors or employment of senior management members in violation of the above provisions shall be invalid.

The Company shall dismiss the director, supervisor or senior management member if he/she is involved in the circumstances described in paragraph 1 of this article during his/her term of office.

Article 125 Directors shall observe laws, administrative regulations and the Articles of Association, and fulfill the following obligations of honesty to the Company:

- (I) not to abuse their powers to accept bribes or other unlawful gains, and not to expropriate the Company's property;
- (II) not to embezzle monies of the Company;

- (III) not to open in their own names or in others' names any bank account for the purpose of depositing any of the Company's assets or monies;
- (IV) not to lend monies of the Company to other persons or provide guarantee for other persons with the property of the Company counter to the Articles of Association or without the consent of the shareholders' general meeting or the Board of Directors;
- (V) not to conclude any contract or conduct any transaction with the Company counter to the Articles of Association or without the consent of the shareholders' general meeting;
- (VI) without the consent of the shareholders' general meeting, not to take advantage of their positions to seek for themselves or others any business opportunities that are due to the Company, or conduct for themselves or others any businesses similar to those of the Company;
- (VII) not to take as their own any commission for any transaction with the Company;
- (VIII) not to disclose the Company's secrets without authorization, not to leak any significant information that has not been disclosed, and not to seek illegal gains taking advantage of insider information; and to fulfill the non-competition obligations agreed upon with the Company after leaving the Company;
- (IX) not to use their connected relations to damage the interests of the Company;
- (X) to fulfill other duties of loyalty specified by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Any income obtained by a director in violation of this article shall be surrendered to the Company; if losses are caused to the Company, the director shall be liable for compensation.

The provisions on the directors' obligations of loyalty shall also apply to senior management members.

Article 126 Directors shall observe laws, administrative regulations and the Articles of Association, and fulfill the following obligations of diligence:

- (I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the laws, administrative regulations and various economic policies of the State, not beyond the business scope specified in the business license of the Company;
- (II) to treat all shareholders impartially;
- (III) to keep informed of the business operations and management of the Company;
- (IV) to sign written opinions on the regular reports of the Company, to ensure the information disclosed by the Company is true, accurate and complete;

- (V) to honestly provide the Board of Supervisors with relevant information, and not to prevent the Board of Supervisors or supervisors from exercising their functions and powers;
- (VI) to fulfill other duties of diligence specified by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The provisions in items (IV), (V) and (VI) on the directors' duties of diligence shall also apply to senior management members.

Article 127 When a director, supervisor or senior management member directly or indirectly enters into a contract or conducts a transaction with the Company, they shall report the matters related to the contract-making or transaction to the Board of Directors and obtain the approval of the Board of Directors through a resolution in accordance with the provisions of the Articles of Association.

The provisions of the preceding paragraph shall apply when a close relative of a director, supervisor or senior management member, an enterprise directly or indirectly controlled by a director, supervisor, senior management member or their close relatives, or an affiliated person having other affiliated relationships with a director, supervisor or senior management member enters into a contract or conducts a transaction with the Company.

Article 128 A director, supervisor or senior management member shall not take advantage of their positions to seek for themselves or for others business opportunities that should belong to the Company. However, this does not apply in any of the following circumstances:

- (I) they report the matter to the Board of Directors and obtain the approval of a board resolution in accordance with the Articles of Association;
- (II) the Company is unable to take advantage of such business opportunities according to laws, administrative regulations or the provisions of the Articles of Association.

Article 129 A director, supervisor or senior management member shall not operate, either on their own account or for others, businesses of the same kind as those of the Company where they serve, unless they report the matter to the Board of Directors and obtain the approval of a board resolution in accordance with the Articles of Association.

Article 130 Any income derived by directors, supervisors and senior management members in violation of the provisions in this chapter shall belong to the Company.

Chapter 13 Financial Accounting System, Profit Distribution and Audit

Section 1 Financial and Accounting System

Article 131 The Company shall formulate its financial and accounting systems in accordance with relevant laws, administrative regulations and the provisions of the relevant financial authority of the State Council.

Article 132 The Company shall submit and disclose its annual report within four months after the end of each fiscal year in accordance with relevant regulatory requirements, and submit and disclose its interim report within three months after the end of the first half of each fiscal year in accordance with relevant regulatory requirements.

The aforesaid annual reports and interim reports shall be prepared in accordance with relevant laws, administrative regulations, departmental rules and the rules of the stock exchange where the shares of the Company are listed.

Article 133 The Company will not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

Article 134 When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits to the Company's statutory reserve fund. Such allocation may be stopped when the statutory reserve fund of the Company has accumulated to at least 50% of the registered capital of the Company.

If the statutory reserve fund of the Company is insufficient to recover the losses of the preceding year, the profits of the current year shall first be used to recover the said losses before being allocated to the statutory reserve fund as per the preceding paragraph.

After statutory reserve fund is withdrawn out of the after-tax profits, discretionary reserve fund may also be withdrawn out of the same as per a resolution made at a shareholders' general meeting.

The after-tax profits remaining after recovery of losses and withdrawal of reserve funds may be distributed to the shareholders in proportion to their shareholding percentages.

The shares of the Company held by the Company shall not be subject to profit distribution.

The Company shall appoint one or more receiving agents in Hong Kong for holders of H shares. The receiving agent(s) shall, on behalf of the relevant holders of H shares, collect and hold the dividends and other payable amounts distributed by the Company in respect of the H shares, pending payment to such holders of H shares. The receiving agent(s) appointed by the Company shall meet the requirements of laws, regulations, and the securities regulatory rules of the place where the shares of the Company are listed.

Article 135 If the Company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; if losses are caused to the Company, the shareholders and the directors, supervisors, and senior management members responsible shall bear compensation liability.

Article 136 If the shareholders' general meeting passes a resolution to distribute profits, the Board of Directors shall make the distribution within six months from the date the resolution of shareholders' general meeting is adopted.

Article 137 The premium income obtained from issuing shares at a price exceeding their par value, as well as other items that the finance department of the State Council stipulates shall be included in the capital reserve fund, shall be classified as the Company's capital reserve fund.

Article 138 The reserve funds of the Company shall be used to make up for the losses, enhance the operating scale or increase the registered capital of the Company.

When using the reserve funds to make up for the Company's losses, the Company shall first use the discretionary reserve fund and the statutory reserve fund. If the losses cannot be fully made up, the Company may use the capital reserve fund in accordance with relevant regulations.

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

Article 139 The Company shall protect the legitimate rights and interests of its employees, sign labor contracts with them in accordance with the law, participate in social insurance, strengthen labor protection, and ensure workplace safety.

The Company shall adopt various methods to enhance the vocational education and on-the-job training of its employees, so as to improve their overall quality.

Section 2 Internal Audit

Article 140 The Company shall implement an internal audit system and assign full-time auditors to conduct internal audit and supervision on the financial revenues/expenditures and economic activities of the Company.

Article 141 The internal audit system and duties of the auditors of the Company shall be subject to the approval of the Board of Directors. The officer in charge of audit shall be accountable to the Board of Directors and report his/her work to the same.

Section 3 Appointment of Accounting Firm

Article 142 The Company shall engage an accounting firm that complies with the provisions of the Securities Law to conduct audits of accounting statements, verification of net assets, and other related advisory services. The term of engagement shall be one year, commencing from the conclusion of the current annual shareholders' general meeting of the Company until the conclusion of the next annual shareholders' general meeting. The appointment may be renewed.

Article 143 The engagement of an accounting firm by the Company must be approved by a majority vote at the shareholders' general meeting. The Board of Directors shall not appoint an accounting firm before a decision is made by the shareholders' general meeting, except as otherwise provided in the Articles of Association.

Article 144 The Company shall undertake to provide the accounting firm engaged by it with true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information, and shall not reject, conceal or misstate any information.

Article 145 The audit expenses of the accounting firm shall be subject to the approval of the shareholders' general meeting.

Article 146 When the Company dismisses or decides not to reappoint an accounting firm, it shall notify the accounting firm in writing 30 days in advance, and such decision must be approved by a majority vote at the shareholders' general meeting. When the shareholders' general meeting votes on the dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions.

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

Chapter 14 Term of Operation of the Company

Article 147 The Company is a joint stock limited company with perpetual existence, and its term of operation is permanent.

Chapter 15 Merger, Division, Increase of Capital, and Reduction of Capital of the Company

Article 148 Merger of the Company may take the form of absorption or establishment of a new company.

One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.

Article 149 In the event of merger of the Company, the parties concerned shall conclude a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify all creditors within 10 days after adoption of the merger resolution and shall make an announcement on a qualified media and the HKEXnews website (www.hkexnews.hk) within 30 days. The creditors may require the Company to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.

Upon merger, the credits and liabilities of each of the merged parties shall be assumed by the surviving party or the newly established company.

Article 150 If the Company is divided, its properties shall be divided accordingly.

Where the Company is divided, a balance sheet and an inventory of assets shall be prepared. The Company shall notify all creditors within 10 days after adoption of the division resolution and shall make an announcement on a qualified media and the HKEXnews website (www.hkexnews.hk) within 30 days.

Article 151 The debts of the Company prior to its division shall be assumed jointly and severally by the companies resulting from the division, save as otherwise specified in the written agreement on debt repayment reached between the Company and its creditors before division.

Article 152 When reducing its registered capital, the Company shall prepare a balance sheet and an inventory of assets.

The Company shall notify all creditors within 10 days after the shareholders' general meeting adopts the resolution to reduce registered capital and shall make an announcement on a qualified media and the HKEXnews website (www.hkexnews.hk) within 30 days. A creditor has the right to require the Company to repay his/her debts or to provide a corresponding guarantee for such debts within 30 days from the date he/she receives the relevant notice or, in the case of a creditor who did not receive such notice, within 45 days from the date of the relevant announcement.

In principle, when the Company reduces its registered capital, it shall correspondingly reduce the shares in proportion to the shares held by the shareholders. However, if provided by law or approved by two thirds of the voting rights held by shareholders present at the meeting, the Company may implement a targeted capital reduction for specific shareholders or allow shareholders to reduce their respective shareholdings on a non-proportional basis.

Chapter 16 Dissolution and Liquidation of the Company

Article 153 The Company may be dissolved for the following reasons:

- (I) the term of operation specified in the Articles of Association expires or any other circumstance for dissolution specified in the Articles of Association arises;
- (II) the shareholders' general meeting has resolved to dissolve the Company;
- (III) dissolution is necessary due to a merger or division of the Company;
- (IV) the business license is revoked according to law, or the Company is ordered to close or is cancelled;
- (V) if the Company gets into serious trouble in operations and management and its continued existence may incur material losses of the interests of the shareholders, and no solution can be found through any other channel, the shareholders holding more than 10% of the total voting rights of the Company may request the People's Court to dissolve the Company.

When the Company encounters the grounds for dissolution as specified in the preceding paragraph, it shall publicize such grounds through the National Enterprise Credit Information Publicity System within 10 days.

The dissolution or liquidation of the Company must be approved by shareholders representing more than two thirds of the voting rights held by shareholders present at the shareholders' general meeting. If the Company falls under the circumstances in items (I) or (II) of the first paragraph of this article and has not yet distributed property to shareholders, it may continue to exist by amending the Articles of Association or by passing a resolution at the shareholders' general meeting. Any amendment to the Articles of Association or resolution passed by the shareholders' general meeting must be approved by shareholders representing more than two thirds of the voting rights held by shareholders present at the meeting.

Article 154 If a company is dissolved due to the circumstances stipulated in items (I), (II), (IV) or (V) of the first paragraph of Article 229 of the Company Law, it shall be liquidated. Directors are the liquidation obligors of the Company. They shall form a liquidation team to conduct liquidation within 15 days from the date when the grounds for dissolution occur.

The Company's liquidation team shall be composed of directors, unless the shareholders' general meeting resolves to appoint other persons.

If the liquidation obligors fail to fulfill the liquidation obligations in a timely manner, thereby causing losses to the Company or its creditors, they shall bear compensation liability.

Article 155 If the Company should be liquidated in accordance with the provisions of the first paragraph of the preceding article, but fails to establish a liquidation team within the specified time to commence liquidation, or fails to liquidate after establishing a liquidation team, interested parties may apply to the People's Court to appoint relevant personnel to form a liquidation team to carry out the liquidation. If the Company is dissolved due to the revocation of its business license, an order for closure, or being revoked by law, the department that issued the decision to revoke the business license, order closure, or revoke the Company, or the company registration authority, may apply to the People's Court to appoint relevant personnel to form a liquidation team to carry out the liquidation.

Article 156 During liquidation, the liquidation team shall exercise the following functions and powers:

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

Article 157 The liquidation team shall notify all creditors within 10 days from the date of its establishment and shall make an announcement on a qualified media and the HKEXnews website (www.hkexnews.hk) within 60 days. The creditors shall declare their rights to the liquidation team within 30 days after receipt of the notice or within 45 days after announcement if the creditors haven't received the notice.

Article 158 After sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation team shall formulate a liquidation plan and submit to the shareholders' general meeting or to a People's Court for confirmation.

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

The Company shall subsist in the course of liquidation but shall not engage in operating activities unrelated to the liquidation. Before liquidation as specified in the preceding paragraphs, the assets of the Company shall not be distributed to shareholders.

Article 159 If, after sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation team discovers that the Company's assets are insufficient to repay the Company's debts in full, the liquidation team shall apply to a People's Court for declaration of bankruptcy in accordance with the law.

After the Company is declared bankrupt by a ruling from a People's Court, the liquidation team shall handover the liquidation matters to the People's Court.

Article 160 Members of the liquidation team shall, in the performance of their liquidation duties, bear the duties of loyalty and diligence.

Any member of the liquidation team who is negligent in performing his/her liquidation duties, thereby causing losses to the Company, shall be liable for compensation; any member of the liquidation team who causes losses to creditors due to his/her intentional misconduct or gross negligence shall be liable for compensation.

Article 161 Upon the completion of the Company's liquidation, the liquidation team shall prepare a liquidation report, submit it to the shareholders' general meeting or the People's Court for confirmation, and then file it with the company registration authority to apply for the deregistration of the Company and announce the termination of the Company.

Chapter 17 Methods of Company Notices and Announcements

Article 162 The notice of the Company may be served as follows:

- (I) by personal delivery;
- (II) by post;
- (III) by fax or email;
- (IV) by announcement;

or by other means specified in the Articles of Association.

Article 163 If a notice of the Company is served by announcement, the said notice shall be deemed as received by the relevant persons once the said notice is announced.

Article 164 Notices for the Company's shareholders' general meetings shall be given by personal delivery, mail, fax, or by means of an announcement. Unless the context otherwise requires, for announcements to holders of H shares or announcements required to be made in Hong Kong in accordance with relevant regulations and the Articles of Association, such announcements must be published on the Company's website, the Hong Kong Stock Exchange's website, and other websites as prescribed by the Hong Kong Listing Rules from time to time, in compliance with the relevant requirements of the Hong Kong Listing Rules.

Regarding the methods for providing and/or dispatching corporate communications to holders of H shares as required by the listing rules of the place where the shares of the Company are listed, subject to compliance with the relevant listing rules of the place where the shares of the Company are listed, the Company may also send or provide corporate communications to holders of H shares by electronic means or by posting information on the Company's website or the website of the stock exchange where the shares of the Company are listed, in lieu of personal delivery or sending such communications by prepaid mail.

The term "corporate communications" as mentioned in the preceding paragraph refers to any document issued or to be issued by the Company for the reference or action of any of its holders of H shares or other persons as required by the Hong Kong Listing Rules, including but not limited to:

1. the Company's annual report (including the directors' report, the annual accounts together with the auditors' report, the audit report, and the summary financial report, if applicable);
2. the Company's interim report and interim summary report (if applicable);
3. notices of meetings;
4. listing documents;
5. circulars;

6. proxy forms (proxy forms shall have the meaning ascribed to them in the listing rules of the stock exchange where the shares of the Company are listed).

Article 165 Notices for the Company's board meetings shall be given by personal delivery, mail, email, fax, or by means of an announcement.

Article 166 Notices for the Company's meetings of the Board of Supervisors shall be given by personal delivery, mail, email, fax, or by means of an announcement.

Article 167 If a company notice is delivered by personal delivery, the recipient shall sign (or affix their seal) on the delivery receipt, and the date of receipt signed by the recipient shall be deemed the date of delivery. If the company notice is sent by mail, the third working day after the date of posting shall be deemed the date of delivery. If the company notice is sent by fax, the date of dispatch shall be deemed the date of delivery. If sent by email, the notice shall be deemed delivered when it enters the recipient's designated email system. If the company notice is sent by means of an announcement, the date of the first publication of the announcement shall be deemed the date of delivery.

The accidental omission to give notice of meeting to, or non-receipt of notice of meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions adopted at the meeting.

Article 168 The Company designates media/websites recognized by the stock exchange where the shares of the Company are listed, such as the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk), as the media for publishing company announcements and other information requiring disclosure.

Chapter 18 Amendment to the Articles of Association of the Company

Article 169 In any of the following circumstances, the Company shall amend the Articles of Association:

- (I) The Articles of Association are contradictory to any provision of the amended version of the Company Law or other applicable laws or administrative regulations or securities regulatory rules of the place where the shares of the Company are listed;
- (II) There is any change to the Company's situation and is inconsistent with any matter recorded in the Articles of Association;
- (III) A shareholders' general meeting adopts a resolution for amendment to the Articles of Association.

Article 170 Amendments to the Articles of Association adopted by a resolution of the shareholders' general meeting which are subject to approvals from relevant competent authority shall be submitted to the competent authority for approval; if there is any change relating to the registered particulars of the Company, application shall be made for change in registration in accordance with the law.

Article 171 The Board of Directors shall amend the Articles of Association according to the resolution of the shareholders' general meeting for amendments hereof and the approval opinions of relevant competent authority.

If amendments to the Articles of Association need to be disclosed pursuant to laws and regulations, they shall be disclosed accordingly.

Chapter 19 Supplementary Provisions

Article 172 Definitions

- (I) “Controlling shareholder” means a shareholder whose shareholding in the Company exceeds 50% of the total share capital; or a shareholder whose shareholding ratio is less than 50%, but whose voting rights attached to their shares are sufficient to have a significant impact on the resolutions of the shareholders’ general meeting, or a shareholder defined as a controlling shareholder by the securities regulatory rules of the place where the shares of the Company are listed.
- (II) “De facto controller” means a person who is able to actually control the Company’s actions through investment relationships, agreements, or other arrangements.
- (III) The term “accounting firm” in the Articles of Association has the same meaning as “auditors” in the Hong Kong Listing Rules; the terms “connected person”, “connected relation”, and “connected transaction” in the Articles of Association refer to the meanings as defined in the Hong Kong Listing Rules.

Article 173 The Board of Directors may formulate rules of articles of association in accordance with the Articles of Association. The rules shall not conflict with the Articles of Association.

Article 174 The Articles of Association shall be executed in Chinese. Where the articles of association in any other language or version disagree with the Articles of Association, the Chinese version of Articles of Association latest approved and registered by the Administration for Industry and Commerce shall prevail.

Article 175 From the effective date of the Articles of Association, all special rights of any shareholders shall terminate. The rights and arrangements of all shareholders of the Company (including but not limited to shareholders’ preferential rights, etc.) shall be governed by the provisions of the Articles of Association. Any shareholders’ agreements, as well as all oral and written agreements, contracts, understandings, and correspondence stipulating the rights of the Company’s shareholders (including but not limited to shareholders’ preferential rights, etc.) that were signed prior to the effective date of the Articles of Association, shall cease to be effective and shall be superseded by the provisions of the Articles of Association.

If the Articles of Association conflict with the provisions of any laws, administrative regulations, normative documents, or the securities regulatory rules of the place where the shares of the Company are listed that are promulgated from time to time, the provisions of such laws, administrative regulations, normative documents, and securities regulatory rules of the place where the shares of the Company are listed shall prevail.

Article 176 For the purpose of the Articles of Association, references to “or more,” “within,” and “not more than” shall include the referenced figure itself; the terms “less than,” “more than,” “below,” and “over” shall not include the referenced figure itself.

Article 177 The Board of Directors of the Company shall be responsible for the interpretation of the Articles of Association.

Article 178 Appendices to the Articles of Association include rules of procedure for shareholders' general meetings, rules of procedure for board meetings and rules of procedure for meetings of the Board of Supervisors.

Article 179 Matters not covered in the Articles of Association shall be handled in accordance with relevant laws, administrative regulations, the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed, and in light of the Company's actual circumstances. If the Articles of Association conflict with any laws, administrative regulations, relevant provisions or rules of relevant securities registration and clearing institutions, other relevant normative documents, or the provisions of the securities regulatory authorities of the place where the shares of the Company are listed that are promulgated from time to time, the latter shall prevail.

The Articles of Association shall be adopted upon approval by the shareholders' general meeting and shall come into force and effect from the date of the Company's initial public offering of H Shares and listing on the Hong Kong Stock Exchange. Upon the effective date of the Articles of Association, the Company's previous articles of association shall automatically cease to be in force.