

MABWELL (SHANGHAI) BIOSCIENCE CO., LTD.

ARTICLES OF ASSOCIATION

(Applicable upon the offering and listing of H shares)

April 2026

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Mabwell (Shanghai) Bioscience Co., Ltd.
Articles of Association

CHAPTER I GENERAL PROVISIONS

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

Article 2 The Company is a joint stock company established by way of promotion and through overall conversion of Mabwell (Shanghai) Bioscience Ltd. (邁威(上海)生物科技有限公司) in accordance with the Company Law and other relevant laws and regulations of the People’s Republic of China (hereinafter referred to as the “PRC”, for the purpose of the Articles of Association, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan region). The Company was registered with the Shanghai Municipal Administration for Market Regulation and obtained its business license with the Unified Social Credit Code of 91310115MA1K3Q5R7K.

Article 3 As approved by the Shanghai Stock Exchange on September 3, 2021 and registered with the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) on December 7, 2021, the Company made initial public offering of 99,900,000 RMB-denominated ordinary shares (hereinafter referred to as “A Shares”) to the public, and A Shares were listed on the Shanghai Stock Exchange STAR Market on January 18, 2022.

As filed with the CSRC on November 19, 2025 and approved by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”), the Company made initial public offering of 47,130,200 overseas-listed foreign invested shares (hereinafter referred to as “H Shares”) in Hong Kong, and H Shares were listed on the Main Board of the Hong Kong Stock Exchange on April 28, 2026.

Article 4 The Chinese name of the Company: 邁威(上海)生物科技股份有限公司

The English name of the Company: Mabwell (Shanghai) Bioscience Co., Ltd.

Article 5 The Company’s domicile: Room 105, Block 2, No. 230 Cailun Road, China (Shanghai) Pilot Free Trade Zone.

Article 6 The registered capital of the Company is RMB446,730,200.

Article 7 The business term of the Company is 30 years.

Article 8 A manager who represents the Company to execute corporate affairs shall be the legal representative of the Company. Where the manager who serves as the legal representative resigns, he/she shall be deemed to have resigned from the position of the legal representative at the same time. Where the legal representative resigns, the Company shall appoint a new legal representative within 30 days after the date of his/her resignation.

Article 9 The legal consequences arising from the civil activities conducted by the legal representative in the name of the Company shall be borne by the Company. Any restrictions on the functions and powers of the legal representative as stipulated in the Articles of Association or imposed by the general meeting shall not be used against a bona fide counterparty. Where the legal representative causes damage to any others in the performance of his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming such civil liability, claim reimbursement from the legal representative at fault in accordance with the laws or the Articles of Association.

Article 10 The shareholders of the Company shall be liable to the Company to the extent of the number of shares they have subscribed for, and the Company shall be liable for its debts with all its assets.

Article 11 Upon entering into force, the Articles of Association shall become a legally binding document that regulates the organization and activities of the Company, as well as the rights and obligations between the Company and each shareholder and among its shareholders. The Articles of Association shall be legally binding upon the Company, its shareholders, directors, and senior management personnel. Pursuant to the Articles of Association, any shareholder of the Company may institute any legal proceeding against its other shareholders; any shareholder of the Company may institute any legal proceeding against its directors and senior management personnel; any shareholder of the Company may institute any legal proceeding against the Company, while the Company may institute any legal proceeding against its shareholders, directors and senior management personnel.

Article 12 For the purpose of the Articles of Association, senior management personnel refer to the general manager, deputy general managers, the secretary to the board of directors (hereinafter referred to as the “Board”) and the chief financial officer.

Article 13 The Company shall establish an organization of the Communist Party to carry out the activities of the Party in accordance with the Constitution of the Communist Party of China. The Company shall provide necessary conditions to facilitate the activities of the Party organization.

CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS

Article 14 The Company's objectives of business are: The Company is committed to becoming a world-leading innovative biopharmaceutical enterprise in the production of macromolecules by leveraging technological innovation and the layout of the entire industry chain, making a variety of more effective, faster and high-quality treatment solutions that are accessible to patients worldwide.

Article 15 As registered according to the laws, the Company's scope of business covers the following: General items: technical services, technical development, technical consulting, technical exchange, technical transfer, and technical promotion; medical research and experimental development; leasing services (excluding licensed leasing services); leasing of Class I medical devices; leasing of Class II medical devices; technology import and export; goods import and export; food import and export; sales of Class I medical devices; sales of Class II medical devices; sales of formula food for special medical purposes; food sales (limited to pre-packaged food only). (Except for items subject to approval in accordance with the laws, business activities may be carried out independently in accordance with the laws with the business license) Licensed items: pharmaceutical manufacturing; entrusted pharmaceutical manufacturing; production of pharmaceutical excipients; production of health foods; food production; pharmaceutical wholesale; pharmaceutical retail; sales of pharmaceutical excipients; production of formula food for special medical purposes; food sales; pharmaceutical import and export. (Items subject to approval in accordance with the laws may only be carried out upon the approval by the relevant authorities, and specific business activities shall be subject to the approval documents or permits issued by the relevant authorities)

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 16 Shares of the Company shall take the form of registered share certificates.

Article 17 The shares of the Company shall be issued in accordance with the principles of fairness and justice. Each share of the same class shall carry the same rights.

Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any subscriber shall pay the same price for each of the shares it/he/she subscribes for.

Article 18 All the par value shares issued by the Company have a par value denominated in RMB.

Article 19 A Shares issued by the Company are centrally deposited with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. H Shares issued by the Company can be primarily deposited with a custodian company under Hong Kong Securities Clearing Company Limited in accordance with the laws of the place where the shares are listed and the common practices for securities registration and depository services.

Article 20 At the inception of the Company, the total number of issued shares of the Company was 299,700,000 shares, with a par value of RMB1 per share.

The promoters of the Company, the number of shares subscribed for by them, their shareholding percentage, method of capital contribution and time of capital contribution were as follows:

No.	Name of promoters	Number of shares held (0'000 shares)	Shareholding percentage (%)	Method of capital contribution	Time of capital contribution (year/month/day)
1	Langrun (Shenzhen) Equity Investment Fund Enterprise (Limited Partnership) (朗潤(深圳)股權投資基金企業(有限合夥))	14006.0000	46.7334	Net assets	2020/4/30
2	Ningbo Meishan Free Trade Port Zhongjun Jianlong Investment Partnership (Limited Partnership) (寧波梅山保稅港區中駿建隆投資合夥企業(有限合夥))	2000.0000	6.6733	Net assets	2020/4/30
3	Suzhou Yongyu Equity Investment Partnership (Limited Partnership) (蘇州永玉股權投資合夥企業(有限合夥))	1732.7000	5.7814	Net assets	2020/4/30
4	LIU Datao (劉大濤)	1510.0000	5.0384	Net assets	2020/4/30
5	WU Jun (吳軍)	1288.0000	4.2976	Net assets	2020/4/30
6	Shenzhen Fuhai Stock Toubang No. 7 Investment Enterprise (Limited Partnership) (深圳富海股投邦七號投資企業(有限合夥))	803.5000	2.6810	Net assets	2020/4/30
7	SU Xin (蘇鑫)	788.0000	2.6293	Net assets	2020/4/30
8	Ningbo Meishan Free Trade Port Zhenzhu Investment Management Partnership (Limited Partnership) (寧波梅山保稅港區真珠投資管理合夥企業(有限合夥))	680.0000	2.2689	Net assets	2020/4/30
9	XIE Ning (謝寧)	657.0000	2.1922	Net assets	2020/4/30
10	Xiamen Hengyao Xingye Investment Partnership Enterprise (Limited Partnership) (廈門恒耀興業投資合夥企業(有限合夥))	495.0000	1.6517	Net assets	2020/4/30
11	Shanghai Xuchao Investment Partnership Enterprise (Limited Partnership) (上海旭朝投資合夥企業(有限合夥))	495.0000	1.6517	Net assets	2020/4/30

No.	Name of promoters	Number of shares held (0'000 shares)	Shareholding percentage (%)	Method of capital contribution	Time of capital contribution (year/month/day)
12	Haitong Innovation Capital Management Co., Ltd. (海通創新證券投資有限公司)	495.0000	1.6517	Net assets	2020/4/30
13	Anhui Hezhuang High-Tech Achievement Fund Partnership (Limited Partnership) (安徽和壯高新技術成果基金合夥企業(有限合夥))	495.0000	1.6517	Net assets	2020/4/30
14	Ganzhou Development No. 1 Investment Fund Partnership (Limited Partnership) (贛州發展壹號投資基金合夥企業(有限合夥))	495.0000	1.6517	Net assets	2020/4/30
15	ZHANG Jinchao (張錦超)	400.0000	1.3347	Net assets	2020/4/30
16	LIU Peng (劉鵬)	370.0000	1.2346	Net assets	2020/4/30
17	Wuhu Xinde No. 1 Investment Center (Limited Partnership) (蕪湖鑫德壹號投資中心(有限合夥))	346.5000	1.1562	Net assets	2020/4/30
18	Zhuhai Huajin Fengying No. 2 Equity Investment Fund Partnership (Limited Partnership) (珠海華金豐盈二號股權投資基金合夥企業(有限合夥))	327.8000	1.0938	Net assets	2020/4/30
19	Shenzhen Zhongkai Fusheng Investment Center (Limited Partnership) (深圳中凱富盛投資中心(有限合夥))	315.0000	1.0510	Net assets	2020/4/30
20	Shenzhen Xinxi Huirui Investment Partnership (Limited Partnership) (深圳信熹匯瑞投資合夥企業(有限合夥))	253.5000	0.8458	Net assets	2020/4/30
21	Rui Feng Capital Co., Ltd. (北京瑞豐投資管理有限公司)	247.5000	0.8258	Net assets	2020/4/30
22	Ningbo Gaoling Equity Investment Partnership (Limited Partnership) (寧波高靈股權投資合夥企業(有限合夥))	247.5000	0.8258	Net assets	2020/4/30
23	LIAO Shaofeng (廖少鋒)	219.0000	0.7307	Net assets	2020/4/30
24	GUO Zhengyou (郭正友)	219.0000	0.7307	Net assets	2020/4/30
25	Shenzhen Langrun Investment Consultancy Management Co., Ltd. (深圳市朗潤投資諮詢管理有限公司)	200.0000	0.6673	Net assets	2020/4/30

No.	Name of promoters	Number of shares held (0'000 shares)	Shareholding percentage (%)	Method of capital contribution	Time of capital contribution (year/month/day)
26	ZHANG Manlong (張滿龍)	180.0000	0.6006	Net assets	2020/4/30
27	Suzhou Ruihua Investment Partnership (Limited Partnership) (蘇州瑞華投資合夥企業(有限合夥))	148.5000	0.4955	Net assets	2020/4/30
28	Small and Medium Enterprise Development Fund (Shenzhen Nanshan Limited Partnership) (中小企業發展基金(深圳南山有限合夥))	148.5000	0.4955	Net assets	2020/4/30
29	YANG Xiaoling (楊小玲)	109.0000	0.3637	Net assets	2020/4/30
30	CAI Yuankui (蔡元魁)	109.0000	0.3637	Net assets	2020/4/30
31	Shenzhen Jiushang Investment Center (Limited Partnership) (深圳九尚投資中心(有限合夥))	99.0000	0.3303	Net assets	2020/4/30
32	GUO Yinhan (郭銀漢)	50.0000	0.1668	Net assets	2020/4/30
33	WANG Shuhai (王樹海)	40.0000	0.1335	Net assets	2020/4/30
Total		29,970.0000	100	—	—

Article 21 The number of issued shares of the Company is 446,730,200 shares, all of which are ordinary shares, including 399,600,000 A ordinary shares and 47,130,200 H ordinary shares.

Article 22 The Company or its subsidiaries (including its affiliates) shall not, at any time, provide financial assistance, such as gift, advance, guarantee, borrowing, to others to acquire the shares of the Company or its parent company, except where the Company implements employee shareholding plans.

For the benefits of the Company, the Company may, upon a resolution by the general meeting, or a resolution by the Board in accordance with the Articles of Association or the authorization of the general meeting, provide financial assistance to other persons to obtain the shares of the Company or its parent company, provided that the total cumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. A resolution made by the Board shall be approved by not less than two-thirds of all the directors.

Section 2 Increase, Reduction and Repurchase of Shares

Article 23 Based on its operation and development needs, in accordance with the relevant laws and regulations, and subject to resolutions of the general meeting, the Company may increase its capital by any of the following ways:

- (i) offering of shares to unspecified parties;
- (ii) offering of shares to specified parties;
- (iii) distribution of bonus shares to existing shareholders;
- (iv) conversion of capital reserve into share capital;
- (v) other means permitted by laws and administrative regulations and approved by the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

Article 24 The Company may reduce its registered capital. The reduction of registered capital shall comply with the Company Law, the Hong Kong Listing Rules and other relevant regulations as well as the procedures stipulated in the Articles of Association.

Article 25 The Company shall not purchase its shares, except in one of the following circumstances:

- (i) reduction of the Company's registered capital;
- (ii) mergers with another company holding shares of the Company;
- (iii) use of shares for employee shareholding schemes or equity incentives;
- (iv) shareholders who object to resolutions of the general meeting on merger or division of the Company requesting the Company to purchase their shares;
- (v) use of shares for conversion of corporate bonds issued by the Company which are convertible into shares;
- (vi) where it is necessary for the Company to preserve its value and shareholders' interest.

Article 26 The Company may purchase its shares by an open and centralized trading method or other methods recognized by the laws and regulations, the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

If the Company purchases its shares under the circumstances set forth in sub-paragraphs (iii), (v) and (vi) under Article 25 of the Articles of Association, it shall be conducted by an open and centralized trading method.

Article 27 Where the Company purchases its shares under the circumstances set forth in sub-paragraphs (i) and (ii) under Article 25 of the Articles of Association, it shall be resolved by the general meeting. Where the Company purchases its shares under the circumstances set forth in sub-paragraphs (iii), (v) and (vi) under Article 25 of the Articles of Association, a resolution thereon may, pursuant to provisions of the Articles of Association or authorization by the general meeting, be made at a Board meeting that is attended by not less than two-thirds of the directors.

Upon the purchase of its shares by the Company under Article 25 of the Articles of Association, under the circumstance set forth in sub-paragraph (i), such shares shall be cancelled within 10 days from the date of purchase; under the circumstances set forth in sub-paragraphs (ii) and (iv), such shares shall be transferred or cancelled within six months; under the circumstances set forth in sub-paragraphs (iii), (v) and (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.

Notwithstanding the foregoing, if applicable laws and regulations, other requirements of the Articles of Association and the laws of the place where the Company's shares are listed or the securities regulatory authorities have otherwise provided for the aforesaid matters relating to the repurchase of the Company's shares, the Company shall comply with such provisions. The repurchase of the Company's H Shares shall comply with the Hong Kong Listing Rules and other relevant laws and regulations and regulatory requirements of the place where the Company's H Shares are listed.

Upon the purchase of its shares by the Company, the Company shall fulfill its obligation of information disclosure in accordance with the Securities Law of the People's Republic of China, the Hong Kong Listing Rules and other applicable laws and regulations as well as the regulatory requirements of the place where the Company's shares are listed.

Section 3 Transfer of Shares

Article 28 Shares of the Company shall be transferrable according to laws. All transfers of H Shares shall be effected by written transfer documents in the ordinary or common form or in any other form acceptable to the Board (including the standard transfer form or transfer form prescribed by the Hong Kong Stock Exchange from time to time). If the transferor or transferee of the Company's shares is a recognized clearing house as defined by the relevant ordinances from time to time in force under the laws of Hong Kong or its nominee, the written transfer documents may be executed either by hand signature or machine imprint. All transfer documents must be kept at the Company's legal address or such other place as the Board may designate from time to time.

Article 29 The Company shall not accept its shares being held as security under a pledge.

Article 30 Shares issued by the Company before the public offering of shares shall not be transferred within one year from the date on which the shares of the Company are listed on the stock exchange.

Directors and senior management personnel of the Company shall report to the Company their holdings of shares (including preferred shares) of the Company and the changes thereof. The number of shares to be transferred in each year of their term of office shall not exceed 25% of the total shares in the same class of the Company held by them. The shares of the Company held by the aforesaid persons shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The above personnel shall not transfer the shares of the Company held by them within 6 months after the expiry of their term of office.

Article 31 If the shareholders holding more than 5% of the Company's shares, directors, senior management personnel dispose of the Company's shares or other securities of an equity nature held by them within six months of their purchase, or if they purchase them again within six months of their disposal, the proceeds arising therefrom shall be attributable to the Company, and the Board of the Company shall recover the proceeds therefrom, with the exception of the circumstance where a securities company holds more than 5% of the Company's shares due to the fact that their underwritten shares remain unsubscribed and any other circumstance stipulated by the CSRC and the Hong Kong Stock Exchange.

Shares or other securities of an equity nature held by directors, senior management personnel, and individual shareholders as referred to in the preceding paragraph shall include those held by their spouses, parents, children and those held through the accounts of others.

Should the Board of the Company fail to comply with the provisions set out in the first paragraph of this article, shareholders have the right to request the Board to effect the same within 30 days. If the Board fails to do so within the prescribed period above, shareholders have the right to file a lawsuit directly with a people's court in their own names for the benefits of the Company.

If the Board of the Company fails to comply with the provisions set out in the first paragraph of this article, the responsible director(s) shall bear joint liability according to the laws.

CHAPTER IV SHAREHOLDERS AND GENERAL MEETINGS

Section 1 General Provisions on Shareholders

Article 32 The Company shall establish a register of members with the evidence provided by the securities registration and clearing authority. The register of members serves as sufficient proof of a shareholder holding the shares of the Company. Shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

The Company should keep a copy of the register of members of overseas listed shares at the Company's domicile, and the appointed overseas agent shall ensure the consistency between the original copy and the duplicate of the register of members of overseas listed shares at all times. The register of members in Hong Kong must be available for inspection by shareholders, but the Company may be allowed to close the register of members (if necessary) on terms equivalent to section 632 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong). If any shareholder who is registered in the register of members of overseas listed shares or any person who requests for his/her name to be recorded into the register of members of overseas listed shares loses his/her share certificate(s), he/she may apply to the Company for reissuance of new share certificate(s) in respect of such share(s). In the event that a shareholder of overseas listed foreign shares loses his/her share certificate(s) and applies for reissuance of share certificate(s), he/she shall follow relevant provisions as required by the laws, rules of the stock exchange or any other relevant provisions in the place where the original register of members of overseas listed foreign shares is kept.

Article 33 When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities requiring the identification of shareholders, the Board or the convener of the general meeting shall decide the equity record date. Shareholders whose names appear on the register of members after the closing of trading on the equity record date are entitled to relevant rights and interests.

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

- (i) to receive dividends and other distributions in proportion to the shares they hold;
- (ii) to request to hold, convene, preside over, participate in or appoint a shareholder's proxy to participate in general meetings and exercise the corresponding speaking and voting rights in accordance with laws;
- (iii) to supervise, present suggestions on or make inquiries about the operations of the Company;
- (iv) to transfer, gift or pledge the shares it holds in accordance with laws, administrative regulations and regulations of the Articles of Association;
- (v) to inspect and duplicate the Articles of Association, register of members, minutes of general meetings, resolutions of Board meetings and financial reports, and to review the Company's accounting books and accounting documents (for shareholders who meet the requirements);
- (vi) in the event of termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the number of shares held by them;
- (vii) in the event that shareholder(s) who objects to a resolution of the general meeting regarding the merger or division of the Company, may request the Company to purchase their shares;
- (viii) to enjoy other rights stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

Article 35 When a shareholder makes a request to inspect the information under the preceding article or ask for relevant information, he/she shall present the proof of the class of the shares of the Company held by him/her and the number of shareholding in writing. The Company shall comply with shareholder's request after verifying his/her identity.

Article 36 If the resolution of the general meeting or the Board is in violation of the laws or administrative regulations, shareholders shall have the right to request the people's court to invalidate the said resolution.

If the convening procedures and voting methods of the general meetings or Board meetings are in violation of the laws, administrative regulations or the Articles of Association or if the contents of any resolution are in breach of the Articles of Association, shareholders shall have the right to request the people's court to revoke such resolution within 60 days from the date on which the resolution is approved. However, this excludes cases where there are only minor defects in the procedures for convening a general meeting or a Board meeting or in the manner of voting, which do not have a material impact on the resolution.

Where the Board, shareholders and other stakeholders dispute the validity of a resolution of the general meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgement or ruling such as a revocation of the resolution, the stakeholders shall execute the resolution of the general meeting. The Company, directors and senior management personnel shall perform their duties diligently to ensure the normal operation of the Company.

Where the people's court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, requirements of the CSRC and the stock exchange, fully explaining the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they shall be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.

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

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

Article 38 Where the Company incurs loss as a result of violation of the laws, administrative regulations or the Articles of Association by directors and senior management personnel (other than members of the Audit Committee) in the course of performing their duties, shareholders individually or jointly holding 1% or more of the shares of the Company for 180 consecutive days or more shall have the rights to request in writing the Audit Committee to initiate legal proceedings in the people's court. Where the Company incurs loss as a result of violation of laws, administrative regulations or the Articles of Association by members of the Audit Committee in the course of performing their duties, the aforesaid shareholders shall have the rights to request in writing to the Board to initiate legal proceedings in the people's court.

If the Audit Committee or the Board refuses to initiate legal proceedings upon receipt of the written request of shareholders stated in the preceding paragraph, or fails to initiate such legal proceedings within 30 days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the rights to initiate legal proceedings in the People's Court directly in their own names in the interest of the Company.

If any person infringes the lawful interests of the Company, thus causing any losses to the Company, the shareholders as mentioned in the first paragraph of this article may initiate legal proceedings in the people's court in accordance with the provisions of the preceding paragraphs.

Where the Company incurs loss as a result of violation of the laws, administrative regulations or the Articles of Association by directors, supervisors and senior management personnel of a wholly-owned subsidiary of the Company in the course of performing their duties, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, shareholders individually or jointly holding 1% or more of the shares of the Company for 180 consecutive days or more shall have the rights to request in writing the supervisory committee or the Board of the wholly-owned subsidiary to initiate legal proceedings in the people's court or directly initiate legal proceedings in the people's court in its own name in accordance with the provisions of the preceding three paragraphs of Article 189 of the Company Law.

Article 39 If any director or senior management member is in violation of laws, administrative regulations or the Articles of Association, thus causing any losses to the shareholders, the shareholders may initiate legal proceedings against such director or senior management member in the people's court.

Article 40 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 withdraw its share capital unless required by laws and regulations;
- (iv) not to abuse the shareholder's rights so as to damage the interests of the Company or those of any other shareholders; not to abuse the independent legal person status of the Company and the limited liability of the shareholders so as to damage the interests of the Company's creditors;

- (v) other obligations imposed by laws, administrative regulations and the Articles of Association.

Article 41 Where any shareholder of the Company abuse his/her shareholder' rights, thereby causing any loss to the Company or other shareholders, such shareholder shall be liable for compensation in accordance with the laws. Where shareholders of the Company abuse the Company's status as an independent legal entity and the limited liability owed by the shareholders for the purposes of evading from making debt repayments, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

Section 2 Controlling Shareholders and De Facto Controllers

Article 42 The controlling shareholders and de facto controllers of the Company shall exercise their rights and fulfil their obligations in accordance with the laws, administrative regulations, the requirements of the CSRC and the laws and regulations of the place where the Company's shares are listed, and the Hong Kong Listing Rules to safeguard the interests of the Company.

Article 43 The controlling shareholders and de facto controllers of the Company shall comply with the following provisions:

- (i) to exercise their rights as shareholders in accordance with the laws and not to abuse their control or use their connected relationship to prejudice the legitimate interests of the Company or other shareholders;
- (ii) to strictly fulfil their public statements and various undertakings and not to change or waive such statements and undertakings;
- (iii) to fulfil their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Company in information disclosure and inform the Company in a timely manner of material events that have occurred or are intended to occur;
- (iv) not to appropriate the Company's funds in any way;
- (v) not to order, instruct, or request the Company and its relevant personnel to provide guarantees in violation of laws and regulations;
- (vi) not to make use of the Company's undisclosed material information to gain benefits, or disclose in any way undisclosed material information relating to the Company, or engage in insider trading, short-term trading, market manipulation or other illegal and unlawful acts;
- (vii) not to prejudice the legitimate interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset restructuring, external investment or any other means;
- (viii) to ensure the integrity of the Company's assets, and the independence of its personnel, finance, organization and business, and not to affect the independence of the Company in any way;

- (ix) other provisions stipulated in the laws, administrative regulations, and the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules and other requirements of these Articles of Association.

If a controlling shareholder or de facto controllers of the Company does not act as a director of the Company but actually executes the affairs of the Company, the provisions of the Articles of Association on the duties of loyalty and diligence of directors shall apply.

Where a controlling shareholder or de facto controller of the Company instructs a director or any senior management member to engage in an act that is detrimental to the interests of the Company or its shareholders, he/she shall bear joint and several liability with the director or such senior management member.

Article 44 A controlling shareholder or de facto controllers shall maintain control over the Company and the stability of its production operations if they pledge the Company's shares held or effectively controlled by them.

Article 45 In the event of any transfer of the Company's shares held by a controlling shareholder or de facto controllers, they shall comply with the restrictive provisions regarding the transfer of shares stipulated under the laws, administrative regulations and the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, and the Hong Kong Listing Rules as well as the undertakings they have made in respect of restrictions on share transfer.

Section 3 General Provisions on General Meetings

Article 46 The general meeting of the Company shall be comprised of all shareholders. The general meeting is the organ of authority of the Company and shall exercise the following duties and powers in accordance with laws:

- (i) to elect and replace directors who are not employee representatives and to determine matters relating to the remuneration of the directors;
- (ii) to consider and approve the reports of the Board;
- (iii) to consider and approve the profit distribution plan and loss recovery plans of the Company;
- (iv) to resolve on the increase or reduction of the registered capital of the Company;
- (v) to resolve on the issue of corporate bonds;
- (vi) to resolve on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (vii) to amend the Articles of Association;

- (viii) to resolve on the appointment and dismissal of accounting firms engaged in the audit work by the Company;
- (ix) to consider and approve the guarantee issues specified in Article 47 of the Articles of Association;
- (x) to consider the purchase or sale of material assets by the Company within one year, involving total assets or transaction amounts exceeding 30% of the Company's latest audited total assets;
- (xi) to consider and approve matters relating to changes in the use of proceeds;
- (xii) to consider share incentive scheme and employee shareholding scheme;
- (xiii) to consider other matters that should be decided by the general meeting of the Company as stipulated in the laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed and the Listing Rules (including but not limited to Chapter 14 and Chapter 14A of the Hong Kong Listing Rules), normative documents or the Articles of Association.

The general meeting may authorize the Board to resolve on the issue of corporate bonds.

Article 47 Where the Company provides guarantees, it shall be submitted to the Board or the general meeting for consideration. The following external guarantees provided by the Company shall be submitted to the general meeting of the Company for consideration after being approved by the Board:

- (i) any guarantees to be provided after the total amount of the external guarantees provided by the Company and the Company's controlled subsidiaries exceeds 50% of the latest audited net assets;
- (ii) any guarantees to be provided after the total amount of the external guarantees provided by the Company exceeds 30% of the latest audited total assets;
- (iii) the amount of guarantees provided by the Company to others within one year exceeding 30% of the latest audited total assets;
- (iv) any guarantee to be provided to guarantee recipients whose asset to liability ratio is over 70%;

- (v) any single guarantee with an amount exceeding 10% of the latest audited net assets;
- (vi) any guarantee provided to shareholders, de facto controllers, and their related persons;
- (vii) other guarantees that should be considered and approved by the general meeting as stipulated in the laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, and the Hong Kong Listing Rules or the Articles of Association.

For guarantees within the scope of the Board's authorization, in addition to the approval of more than one-half of directors, the approval of not less than two-thirds of the directors present at the Board meeting shall also be required. When a guarantee mentioned in sub-paragraph (iii) above is considered at the general meeting, it shall be passed by not less than two-thirds of the voting rights held by the shareholders present at the meeting.

Where the Company provides guarantees for related persons, such guarantees shall be provided based on reasonable business logic. After the proposal for providing guarantees is considered and approved by the Board, the Company shall make a timely disclosure, and submit it to the general meeting for approval. When the proposal for providing guarantees for any shareholder, de facto controller and their respective related persons is considered at a general meeting, the shareholder or the shareholder controlled by the de facto controller shall abstain from voting, and the proposal shall be passed by the majority of the voting rights held by other shareholders attending the general meeting. Where the Company provides guarantees for controlling shareholders, de facto controllers and their respective related persons, the controlling shareholders, de facto controllers and their respective related persons shall provide counter-guarantees.

Where the Company provides guarantees for any of its wholly-owned subsidiaries, or provides guarantees for any of its controlled subsidiaries and other shareholders of the controlled subsidiary provide guarantees proportionate to their shareholdings, and such guarantees do not harm the interests of the Company, the provisions of sub-paragraphs (i), (iv) and (v) in the first paragraph of this article may be waived, except as otherwise provided in the Articles of Association. The Company shall summarize and disclose the aforesaid guarantees in its annual report and interim report.

Where the Company provides guarantees, but the guaranteed party fails to perform its obligation of repayment of debts within 15 trading days upon the maturity of the debts, or the guaranteed party undergoes bankruptcy, liquidation or other circumstances that materially affect its ability to repay the debts, the Company shall disclose relevant matters in a timely manner.

If any person obtains the guarantees of the Company for the sake of other persons in violation of the provisions of this article regarding the approval authority and review procedures for external guarantees, thereby causing any loss to the Company, such responsible person shall be liable for compensation.

Article 48 Where a transaction conducted by the Company (except for the provision of guarantees and financial assistance) meets one of the following criteria, it shall be submitted to the general meeting for consideration:

- (i) the total amount of assets involved in the transaction (if such assets have both book value and appraised value, whichever is higher) accounts for 50% or more of the Company's latest audited total assets;
- (ii) the transaction value (including the transaction amount, and the debts and expenses incurred) accounts for 50% or more of the Company's market value;
- (iii) the net assets of the subject of the transaction (such as equity interests) for the latest financial year accounts for 50% or more of the Company's market value;
- (iv) the operating revenue related to the subject of the transaction (such as equity interests) for the latest financial year accounts for 50% or more of the Company's audited operating revenue for the same period, and exceeds RMB50 million;
- (v) the profit derived from the transaction accounts for 50% or more of the Company's audited net profit for the latest financial year, and exceeds RMB5 million;
- (vi) the net profit in connection with the subject of the transaction (such as equity interests) for the latest financial year accounts for 50% or more of the Company's audited net profit for the same period, and exceeds RMB5 million;
- (vii) the transaction amount incurred (except for the provision of guarantees) between the Company and the related parties accounts for 1% or more of the Company's latest audited total assets or market value, and exceeds RMB30 million.

In case that a certain figure involved in the aforesaid indicators is of negative value, the absolute value thereof shall be used in the calculation.

If the transaction arrangement involves possible future payment or receipt of consideration, no specific amount is involved, or the amount is determined according to set conditions, the estimated maximum amount is the transaction value.

If the Company executes a transaction in stages, the above provisions shall apply based on the total transaction amount, and the Company shall disclose the actual status of each stage of the transaction in a timely manner.

If the Company and the same counterparty conduct the transaction of the same type but in opposite directions at the same time, it shall determine the criteria for disclosure and decision-making based on the unidirectional amount thereof.

Except for the provision of guarantees, financial assistance, entrusted wealth management and other matters, when the Company conducts transactions of the same type and relating to the same subject, the above provisions shall apply under the principle of cumulative calculation for 12 consecutive months. If obligations have been performed in accordance with the above provisions, the transactions shall no longer be included in the relevant cumulative calculation.

If the Company engages in an equity transaction that results in a change in the scope of the Company's consolidated financial statements, the relevant financial indicators of the Company corresponding to such equity shall be used as the calculation basis, and the above provisions shall apply. If the aforementioned equity transaction does not result in a change in the scope of the consolidated financial statements, the relevant financial indicators shall be calculated based on the change in the proportion of equity held by the Company, and the above provisions shall apply.

If the Company directly or indirectly waives the right of first refusal or the pre-emptive right for the equity of a controlled subsidiary, resulting in the subsidiary no longer being included in the consolidated financial statements, the above provisions shall apply based on the amount waived and the relevant financial indicators of that entity. If the Company waives the right of first refusal or the pre-emptive right for the equity of a controlled subsidiary or an invested company, which does not result in a change in the scope of the consolidated financial statements but reduces the Company's shareholding percentage, the above provisions shall apply based on the amount waived and the relevant financial indicators calculated according to the change in the proportion of equity held by the Company. If the Company partially waives its rights, the above provisions shall also apply based on the amount and indicators specified above and the actual amount accepted for transfer or contributed. If the Company waives or partially waives the right to income from its non-corporate subsidiaries, the above provisions shall apply by reference.

If the Company engages in entrusted wealth management and finds it difficult to perform the review and disclosure procedures for each investment transaction due to factors such as transaction frequency and timeliness requirements, it may reasonably estimate the investment scope, quota, and term, and the above provisions shall apply based on the proportion of the quota to the market value. The usage period of the relevant quota shall not exceed 12 months, and the transaction amount at any point during the period (including the amount related to reinvestment of proceeds from the aforementioned investments) shall not exceed the investment quota.

If the Company engages in a transaction to lease in assets or entrust the management of assets, the above provisions shall apply based on the rental fee or income. If the Company engages in a transaction to lease out assets or entrust others to manage assets, the above provisions shall apply based on the total asset amount, rental income, or management fee. If entrusted operation, leasing in assets, or entrusting others to manage or lease out assets results in a change in the scope of the Company's consolidated financial statements, it shall be regarded as purchasing or selling assets.

If applicable laws and regulations, the laws of the place where the Company's shares are listed or the requirements of the securities regulatory authorities have otherwise provided for the aforesaid criteria for transactions which shall be submitted to the general meeting for consideration, the Company shall comply with such provisions.

Article 49 For the purpose of the Articles of Association, “transaction” includes the following:

- (i) purchasing or selling assets;
- (ii) making external investments (excluding purchasing low-risk wealth management products of banks);
- (iii) transferring or accepting the transfer of research and development projects;
- (iv) entering into a licensing agreement;
- (v) providing guarantees (including guarantees to controlled subsidiaries, etc.);
- (vi) leasing in or out assets;
- (vii) entrusting others or being entrusted with asset or business management;
- (viii) donating assets or accepting asset donation;
- (ix) restructuring debts or creditor’s rights;
- (x) providing financial assistance (including interest-bearing or non-interest borrowings, entrusted loans, etc.);
- (xi) waiving rights (including waiving right of first refusal, pre-emptive right, etc.);
- (xii) other transactions that should be considered by the general meeting as stipulated by laws and regulations, the laws of the place where the Company’s shares are listed or the securities regulatory authorities or the Articles of Association.

The aforesaid purchasing or selling assets excludes purchasing raw materials, fuels, and power, as well as selling products or merchandise and other transactions related to day-to-day operating activities.

Related party transactions refer to any transaction between the Company or any of its subsidiaries and other entities within the scope of its consolidated financial statements and a related party of the Company, including the transactions specified in the first paragraph of this article and any matter occurring in the ordinary course of business which may lead to the transfer of resources or obligations. Transactions between the Company and its controlled subsidiaries or among controlled subsidiaries shall be exempted from disclosure and corresponding procedures in accordance with the provisions of this article.

Any transaction in which the Company is unilaterally benefited, including accepting cash donations, being released from debts, accepting guarantee and financial assistance, etc., may be exempted from deliberation procedures at the general meeting in accordance with the provisions under the first paragraph of Article 48 of the Articles of Association.

If applicable laws and regulations, the laws of the place where the Company's shares are listed or the requirements of the securities regulatory authorities have otherwise provided for the aforesaid matters related to transactions, the Company shall comply with such provisions.

Article 50 General meetings are classified into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year within 6 months from the end of the previous fiscal year.

Article 51 The Company shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following circumstances:

- (i) when the number of directors is less than the statutory minimum quorum provided for in the Company Law or two-thirds of the number specified in the Articles of Association;
- (ii) when the uncovered loss of the Company reaches one-third of its total paid-up share capital;
- (iii) upon request(s) by shareholder(s) individually or collectively holding 10% or above of the shares of the Company;
- (iv) when the Board deems it necessary;
- (v) when the Audit Committee proposes such a meeting be held;
- (vi) other circumstances as stipulated in the laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules or the Articles of Association.

Article 52 The venue of the general meeting convened by the Company shall be the domicile of the Company or other place specified by the Board of the Company. A meeting venue shall be established for the general meeting, and meetings will take the form of physical meetings. The meeting venue shall be clearly specified in the notice of the general meeting. On the premise of not violating the laws, administrative regulations, departmental rules, normative documents and the Hong Kong Listing Rules, the Company shall facilitate the participation of shareholders in general meetings by providing on-line voting. The shareholders shall be deemed as present when participating in the general meeting via the above-mentioned methods.

After a notice of the general meeting is given, the venue of the physical meeting of the general meeting shall not be changed without justifiable reasons. If it is absolutely necessary to make changes, the convener shall make an announcement and explain the reasons at least 2 business days prior to the date of the physical meeting.

Article 53 The Company shall engage lawyers to issue legal opinions in respect of the following matters when convening a general meeting, and make an announcement:

- (i) whether the convening and holding procedures of the meeting comply with the relevant laws, administrative regulations and the Articles of Association;
- (ii) whether the qualifications of the attendees and the convener of the meeting are lawful and valid;
- (iii) whether voting procedures and results at the general meeting are lawful and valid;
- (iv) any legal opinions issued on other matters as requested by the Company.

Section 4 Summoning of General Meetings

Article 54 The Board shall timely convene a general meeting within the timeframe as required.

With the approval by a majority of all independent directors, the independent directors shall have the right to propose to the Board to convene an extraordinary general meeting. Regarding the proposal from the independent directors to convene an extraordinary general meeting, the Board shall, in accordance with relevant laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal.

If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. If the Board does not agree to convene the extraordinary general meeting, it shall give the reasons and make an announcement.

Article 55 The Audit Committee shall propose to the Board in writing to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal.

If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. Any changes to be made to the original proposal in the notice shall be subject to the approval of the Audit Committee.

If the Board does not agree to convene an extraordinary general meeting or fails to give a response within 10 days after the receipt of the proposal, it is deemed that the Board is unable to fulfill or fails to fulfill its duty to convene a general meeting and the Audit Committee may convene and preside over such meeting on its own.

Article 56 Shareholders that hold, individually or collectively, 10% or more of the shares in the Company shall have the right to request in writing the Board to convene an extraordinary general meeting. The Board shall, in accordance with relevant laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees to convene such an extraordinary general meeting within 10 days after the receipt of the proposal.

If the Board agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after it has so resolved. Any changes to be made to the original proposal in the notice shall be subject to the approval of the relevant shareholders.

If the Board does not agree to convene an extraordinary general meeting or fails to give a response within 10 days after the receipt of the proposal, the shareholders who hold, individually or collectively, 10% or more of the shares of the Company may propose to the Audit Committee to convene an extraordinary general meeting, and shall submit the proposal in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary general meeting, it shall give a notice convening such meeting within 5 days after the receipt of the proposal. Any changes to be made to the original proposal in the notice shall be subject to the approval of the relevant shareholders.

If the Audit Committee fails to give the notice convening such meeting within the period specified hereinabove, it shall be deemed to have failed to convene and preside over such meeting. The shareholders who hold, individually or collectively, 10% or more of the shares in the Company for 90 consecutive days or more may convene and preside over such meeting on their own.

Article 57 Where the Audit Committee or the shareholder(s) decide(s) to convene a general meeting on its or their own, they shall notify the Board in writing and at the same time file a record with the Shanghai Stock Exchange.

The Audit Committee or the convening shareholders shall submit the relevant supporting materials to the stock exchange when issuing the notice of the general meeting and publishing the announcement of the resolution of the general meeting.

Before the announcement of the resolutions of the general meeting is made, the shareholding of the convening shareholder(s) shall not be less than 10%.

Article 58 The Board and the secretary to the Board of the Company will cooperate with any general meeting convened by the Audit Committee or the shareholders on its or their own. The Board will provide the register of members as of the equity record date.

Article 59 All necessary expenses incurred by the Audit Committee or the shareholders to convene a general meeting shall be borne by the Company.

Section 5 Proposals and Notices of General Meetings

Article 60 The content of proposals shall fall within the functions and powers of the general meeting, have clear subject for discussion and specific matters to be resolved and comply with relevant requirements of the laws, administrative regulations and the Articles of Association.

Article 61 When the Company holds a general meeting, the Board, the Audit Committee or shareholders who hold, individually or collectively, 1% or more of the shares of the Company shall have the right to put forward proposals.

Shareholders who hold, individually or collectively, 1% or more of the shares of the Company may submit ad hoc proposals in writing to the convener 10 days before the convening of the general meeting. The convener shall send a supplementary notice of the general meeting announcing the contents of the provisional proposal within two days after the receipt of the proposal, and submit such provisional proposal to the general meeting for consideration, unless the provisional proposal violates the provisions of the laws, administrative regulations or the Articles of Association, or falls outside the scope of duties and powers of the general meeting.

Except as provided by the preceding paragraph, the convener of a general meeting shall not amend any proposal set out in the notice of the general meeting or add any new proposal subsequent to the issue of the notice of the general meeting.

Proposals which are not specified in the notice of the general meeting or which do not comply with the Articles of Association shall not be voted and resolved at the general meeting and become resolutions.

Article 62 The convener of an annual general meeting shall notify all shareholders by means of an announcement 20 days before the meeting; the convener of an extraordinary general meeting shall notify all shareholders by means of an announcement 15 days before the meeting. When calculating the period for giving notice, the date of the meeting shall not be included, but the date on which the notice is published shall be included.

Article 63 A notice of a general meeting shall include the following:

- (i) the time, venue and duration of the meeting;
- (ii) matters and proposals submitted to the meeting for consideration;
- (iii) a prominent written statement that all shareholders are entitled to attend the general meeting and are entitled to appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a shareholder of the Company;
- (iv) the record date of registration of shareholders who are entitled to attend the general meeting;
- (v) the name and contact method of the regular contact person for the meeting;
- (vi) the time and procedure for voting online or through other means;
- (vii) other matters to be specified.

Notices or supplementary notices of general meetings shall adequately and completely disclose the specific contents of all proposals. Where the opinions of independent directors and intermediary organizations are required on the matters to be discussed, such opinions will be disclosed at the same time as the notice of the general meeting or the supplementary notice.

Where a general meeting is to be convened via the internet or in any other method, the notice of the general meeting shall clearly state the time and procedures of voting via the internet or any other method. The time to start voting via the internet or by other methods shall not be earlier than 3:00 p.m. of the day prior to the date of the onsite general meeting or later than 9:30 a.m. of the date of the onsite general meeting, and shall not conclude earlier than 3:00 p.m. of the date of the onsite general meeting.

The interval between the equity record date and the date of the meeting shall not be more than seven working days. Once the equity record date is confirmed, no change may be made thereto.

Article 64 If a general meeting intends to discuss the election of directors, the notice of the general meeting should fully disclose detailed information of the candidates for directors. The notice should at least include the following:

- (i) personal particulars such as education background, work experience, other part-time jobs;
- (ii) whether there is related-party relationship with the Company or controlling shareholders and de facto controllers of the Company;
- (iii) the number of the shares of the Company held;
- (iv) whether he or she has been punished by the CSRC, the Hong Kong Stock Exchange and other relevant authorities and sanctioned by the stock exchange.

Each candidate for director should be separately proposed, except for directors elected by way of cumulative voting system.

Article 65 After the notice of a general meeting is given, it shall not be postponed or cancelled without proper reasons. Proposals specified in the notice of the general meeting shall not be cancelled. Once a postponement or cancellation occurs, the convener should publicly announce and give reasons at least 2 business days before the date of the originally scheduled meeting.

Section 6 Convening of General Meetings

Article 66 The Board and other conveners shall take all necessary measures to ensure that the general meeting is conducted in an orderly manner and shall take steps to prevent any act interfering with the general meeting, provoking troubles and infringing on the legal rights and interests of the shareholders, and promptly report such acts to the relevant authorities for investigation.

Article 67 All shareholders registered on the equity record date or their proxies shall be entitled to attend the general meetings and exercise voting rights in accordance with relevant laws, regulations and the Articles of Association.

Shareholders may attend the general meeting in person, or appoint a proxy to attend and vote on behalf of such shareholders.

Shareholders are entitled to speak and vote at general meetings unless individual shareholders are required by the Hong Kong Listing Rules to abstain from voting on specific matters.

Article 68 Individual shareholders attending the meeting in person shall present his/her identity document or other valid license or certificate can prove his/her identity. Proxies appointed to attend the meeting shall present his/her valid identity document and the power of attorney from the appointing shareholder.

Shareholder that is a legal person shall attend the meeting by its legal representative or by proxies appointed by it. If a legal representative attends the meeting, he or she shall present his/her identity document and a valid certificate proving his/her qualification as a legal representative. Where the meeting is attended by proxy, he or she shall present his/her identity card, written power of attorney issued by the legal representative of the corporate shareholder in accordance with the law, unless such shareholder is a recognized clearing house (or its nominees) as defined by the relevant laws and ordinances enacted in Hong Kong.

The shareholders of an unincorporated partnership shall be represented at the meeting by a natural person managing partner or an appointed representative of a non-natural person managing partner, or by a proxy entrusted by the aforesaid person. If a natural person managing partner or an appointed representative of a non-natural person managing partner attends the meeting, he or she shall present his/her identity card and a valid certificate proving that he or she has such qualification. Where the meeting is attended by a proxy, he or she shall present his/her identity card and written power of attorney issued in accordance with the law by the natural person managing partner or the appointed representative of the non-natural person managing partner of the shareholder.

Where such shareholder is a recognized clearing house (or its nominees) as defined by the relevant laws and ordinances enacted in Hong Kong, such shareholder may authorize one or more persons as it thinks fit to act as its nominee(s) or representative(s) at any meeting; however, if more than one person is so authorized, the power of attorney or authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorized will be entitled to exercise the same rights on behalf of the recognized clearing house (or its nominees) without the need to produce evidence of shareholding, notarized authorization and/or further evidence of due authorization as if such person were an individual member of the Company. Such rights and powers include the right to vote on a show of hands in one's personal capacity when a show of hands is permitted.

Article 69 The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall contain the following information:

- (i) name of the principal and the class and quantity of the Company's shares held;
- (ii) name of the proxy;
- (iii) specific instructions from the shareholders, including instructions to vote for, against, or abstain on each matter included in the agenda of general meeting;

- (iv) the date of issuance and term of validity of the power of attorney;
- (v) the signature of the principal (or seal); if the principal is a corporate shareholder, the seal of the corporate shall be affixed.

Article 70 The power of attorney for proxy voting shall be deposited at the domicile of the Company or such other places designated in the notice of the meeting before the meeting at which the proxy is authorized to vote or before the specified voting time. In the event that the proxy forms are signed by other persons authorized by the principals, the letter of authority authorizing the signatures or other authority shall be notarized. Notarized letter of authority or other authority together with the proxy forms shall be made available at the Company's domicile or elsewhere specified in the notice convening the meeting.

Article 71 A meeting attendance register of attendants at a meeting shall be compiled by the Company. The meeting attendance register shall state the names (or names of work units) and identity card numbers of attendants, number of shares held or representing voting shares, the names of principals (or names of work units) and so on.

Article 72 The convener and the lawyers engaged by the Company shall jointly verify the legitimacy of the qualifications of shareholders based on the register of members provided by securities registration and clearing institution, and record the names of shareholders and the number of voting shares held by them. Meeting registration shall be terminated before the chairperson 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 73 If a general meeting requires the attendance of directors or senior management personnel, the directors or senior management personnel shall do so and answer shareholders' inquiries.

Article 74 A general meeting shall be presided over by the chairperson of the Board. Where the chairperson of the Board is unable or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by more than half of the directors.

A general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. Where the convener of the Audit Committee is unable or fails to perform his/her duties, the meeting shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee.

A general meeting convened by shareholders shall be presided over by a representative elected by convener(s).

When a general meeting is convened, where the chairperson of the meeting violates the rules of procedure and makes it impossible to continue the meeting, with the consent of more than half of the shareholders present at the meeting with voting rights, the general meeting may elect a person to serve as the chairperson of the meeting and continue the meeting.

Article 75 The Company shall formulate rules of procedure for general meetings, defining in detail the convening and voting procedure of general meetings, covering notification, registration, consideration of proposal, voting, counting of ballots, announcement of voting results, formation of resolutions, meeting minutes and signing thereof and announcement etc., and the principle and contents of authorization of the Board by general meetings should be clear and specific. The rules of procedure for general meetings shall be annexed to the Articles of Association and shall be formulated by the Board and approved at the general meetings.

Article 76 At an annual general meeting, the Board shall report its work over the past one year to the general meeting. Each of the independent directors shall also make their respective work reports.

Article 77 Directors and senior management personnel shall respond to questions and suggestions from shareholders at a general meeting by providing explanations and statements.

Article 78 The chairperson of a meeting shall announce, before voting, the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held. The number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held shall be based on the registration at the meeting.

Article 79 Minutes shall be prepared for a general meeting by the secretary to the Board.

The minutes of a meeting shall record the following particulars:

- (i) the time, place, agenda and name of the convener of the meeting;
- (ii) the names of the chairperson of the meeting and the directors and senior management personnel attending or present at the meeting;
- (iii) the number of shareholders and proxies thereof attending the general meetings, the total number of voting shares held by them and its proportion to the total number of shares of the Company;
- (iv) the process of considering each proposal, main points of remarks and voting results;
- (v) questions, comments or suggestions by shareholders, and the replies thereto or explanations thereof;
- (vi) the names of lawyers, counters and scrutineers of votes;
- (vii) other particulars that shall be recorded into the meeting minutes as prescribed in the Articles of Association.

Article 80 The convener shall ensure that the contents of the meeting minutes are true, accurate and complete. The directors, supervisors, the secretary to the Board, the convener or his/her representative who attend the meeting and the chairperson of the meeting shall affix their signatures on the meeting minutes. The meeting minutes shall be kept, together with the signature book of shareholders physically present at the meeting, the powers of attorney for proxies present, and the valid documentation on online or other voting, for a period of ten years.

Article 81 The convener shall ensure that a general meeting is held without interruption until a final resolution is formed. In the event that a general meeting is suspended or no resolution can be passed thereat due to force majeure or any other special reasons, necessary measures shall be taken to resume the meeting as soon as possible or the meeting shall be directly terminated, and an announcement shall be published in a timely manner. Meanwhile, the convener shall report to the local office of the CSRC where the Company is domiciled and the Shanghai Stock Exchange.

Section 7 Voting and Resolutions of General Meetings

Article 82 Resolutions of a general meeting are divided into ordinary resolutions and special resolutions.

Ordinary resolutions of a general meeting shall be passed by votes representing not less than half of the voting rights held by shareholders (including proxies thereof) attending the general meeting.

Special resolutions of a general meeting shall be passed by votes representing more than two-thirds of voting rights held by shareholders (including proxies thereof) attending the general meeting.

Article 83 The following matters shall be passed by ordinary resolutions at a general meeting:

- (i) work reports of the Board;
- (ii) profit distribution plans and plans for recovery of losses formulated by the Board;
- (iii) appointment and dismissal of members of the Board, their remunerations and methods of payment;
- (iv) the Company's appointment and dismissal of accounting firms and determination of the audit fees of such accounting firms;
- (v) matters other than those required by the laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules or the Articles of Association to be passed by a special resolution.

Article 84 The following matters shall be passed by special resolutions at a general meeting:

- (i) increase or reduction of registered capital of the Company;
- (ii) division, spin-off, merger, dissolution and liquidation of the Company;
- (iii) the amendment of the Articles of Association;
- (iv) purchase or sale of material assets by the Company within one year involving total assets or transaction amounts exceeding 30% of the Company's latest audited total assets or provision of guarantees in an amount exceeding 30% of the Company's latest audited total assets;
- (v) share incentive scheme;
- (vi) other matters as required by the laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules or the Articles of Association, as well as other matters which will have a significant impact on the Company and require a special resolution to be passed if they are to be considered by the general meeting by way of an ordinary resolution.

Article 85 Shareholders (including proxies thereof) shall exercise their voting rights based on the number of voting shares they represent. Each share is entitled to one vote. On a poll taken at a meeting, shareholders (including proxies thereof) who have two or more votes are not required to cast all their votes for, against, or in abstention on any resolution.

When considering the material matters affecting the interests of minority investors at the general meeting, the votes by minority investors shall be counted separately, and the results of such separate vote counting shall be publicly disclosed in a timely manner.

Shares of the Company held by the Company shall carry no voting rights, and not be counted in the total voting shares represented by shareholders attending a general meeting.

Shareholders who purchase the voting shares of the Company in violation of the provisions of the first paragraph and the second paragraph of Article 63 of the Securities Law shall not exercise the voting rights of the shares that exceed the prescribed ratio within 36 months after the purchase, and such shares shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.

The Board, independent directors and shareholders who hold more than one percent of voting shares or investor protection institutes established in accordance with the laws, administrative regulations or the regulations of the CSRC may publicly request the Company's shareholders to authorize them to attend the general meeting and exercise shareholders' rights such as the right to propose and the right to vote, on behalf of the shareholders. Except as otherwise provided for by laws and regulations, the Company and the conveners of the general meeting shall not set any conditions on the solicitors.

Solicitation of shareholders' rights shall be conducted without compensation, and the solicitor shall fully disclose to the solicited persons all information necessary for shareholders to grant authorization. The solicitation of shareholders' rights shall not be conducted on a compensated basis or in any form of disguised compensation.

Article 86 When a connected transaction is considered at a general meeting, the connected shareholders shall refrain from voting and the number of voting shares that they represent shall not be counted in the total number of valid voting shares. Announcement of resolutions of the general meeting shall disclose the voting of non-connected shareholders.

Article 87 Unless the Company is in a crisis or under any other exceptional circumstances, without the approval of a general meeting by way of a special resolution, the Company shall not enter into any contract with any person other than a director and senior management personnel under which the person takes charge of all or any major business of the Company.

Article 88 The list of candidates for directors shall be submitted to a general meeting for voting in the form of a proposal.

When a single shareholder and his/her persons acting in concert holding a beneficial share ratio of 30% or more vote on the election of two or more non-independent directors, or two or more independent directors, at a general meeting of the Company, the cumulative voting system shall be adopted.

The term "cumulative voting system" mentioned in the previous paragraph refers to that in electing directors at a general meeting, the voting right(s) carried by each share of a shareholder shall be the same as the number of directors to be elected, and the shareholder may cast all the votes to one candidate. The Board shall inform the shareholders of the brief biographies and basic information of the candidates for directors.

The methods and procedures for the nomination of the candidates for directors are as follows:

- (i) candidates for non-employee representative directors shall be nominated by the Board and shareholders who individually or collectively holding 1% or more of the Company's total voting shares, and the number of candidates nominated by them shall not exceed the number of directors to be elected.
- (ii) candidates for independent directors shall be nominated by the Board and shareholders who individually or collectively hold 1% or more of the Company's issued shares. An investor protection institutes established in accordance with laws may publicly request shareholders to entrust it to exercise the rights to nominate independent directors on their behalf.

- (iii) the employee representative director of the Company shall be nominated by the employees of the Company in a democratic manner and elected by the employees representative assembly of the Company.
- (iv) a shareholder who nominates a candidate for non-employee representative director shall submit in writing to the convener of the general meeting 10 days prior to the general meeting the resume of the nominated candidate for director.

Article 89 Save for the cumulative voting system, all proposals shall be voted item by item at a general meeting. In the case where different proposals are made on the same matter, votes shall be cast in the time sequence of the proposals presented. Unless the general meeting is suspended or no resolution can be passed due to force majeure or any other special reasons, the general meeting shall not postpone any proposal or refuse to vote on any proposal.

Article 90 When a proposal is being considered at a general meeting, no modification may be made to the proposal, otherwise the modification shall be deemed as a new proposal, which may not be voted at that general meeting.

Article 91 The same voting right may be exercised only in one manner of voting: on-site meeting, online voting, or by another manner of voting. In the event that the same voting right is repeatedly exercised, the result of the first voting shall prevail.

Article 92 Voting by registered ballots shall be adopted at a general meeting.

Article 93 Before proposals are voted at a general meeting, two shareholders' representatives shall be elected to count and scrutinize the votes. In the event that a shareholder is connected with any matter to be considered, the shareholder and his/her proxy shall not participate in counting and scrutinizing of the votes.

When proposals are voted at a general meeting, lawyers and representatives of shareholders shall be jointly responsible for counting and scrutinizing the votes, and shall announce the voting results on the spot, and record them in the meeting minutes.

Shareholders of the Company or their proxies voting online or in any other manner shall have the right to check their own voting results through the corresponding voting system.

Article 94 The general meeting shall end on-site no earlier than online or otherwise. The chairperson of the meeting shall announce the voting and its results of each proposal, and announce whether a proposal is passed based on the voting results.

Where any shareholder is, under applicable laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the Articles of Association and the rules of procedure, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, such shareholder shall surrender his/her voting rights or abstain from voting; any votes cast by such shareholder (or his/her proxy) in contravention of such requirement or restriction shall not be counted into the voting results.

Before the voting results are officially announced, the Company, vote counters, vote scrutineers, substantial shareholders, network services providers and other related parties involved in the on-site, online and other manner of voting of the general meeting shall all be obligated to keep the voting confidential.

Article 95 Shareholders present at a general meeting shall express one of the following opinions on a proposal submitted for voting: for, against or abstention, save for the circumstance under which the securities registration and clearing institution, acting as the nominal holder of shares under the Mainland-Hong Kong Stock Connect, makes a declaration according to the intentions of the actual holders.

The voters of blank ballots, incorrectly completed ballots, illegible ballots and uncast ballots shall be deemed to have waived their voting rights. The voting results of the shares they hold shall be counted as “abstention”.

Article 96 In the event that the chairperson of the meeting has any doubt about the voting results of a resolution, he/she may arrange for a recount of the votes; where the chairperson fails to recount the votes, and any shareholder or their proxies attending the meeting raises any objection to the result announced by the chairperson, he/she shall have the right to request a recount immediately after the voting result is announced, and the chairperson shall immediately arrange for a recount.

Article 97 The resolutions of a general meeting shall be announced in a timely manner, and the announcement shall state the number of shareholders (and proxies thereof) attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Company, the voting method, the voting result of each proposal and the details of each proposal passed.

Article 98 Where a proposal is not passed, or a resolution passed at a previous general meeting is modified at the current general meeting, a special reminder shall be made in the announcement on resolutions passed at the current general meeting.

Article 99 If a proposal on the election of directors is passed at a general meeting, the newly appointed directors shall assume office from the date on which the resolution is passed at the general meeting, and employee representative directors shall assume office from the date on which the resolution is passed by the trade union committee. Where a new session of the Board is elected, the newly appointed directors shall assume office from the date on which the term of office of the previous directors expires.

Article 100 Where a proposal on the distribution of cash dividends or bonus shares or capitalization of capital reserves is passed at a general meeting, the Company shall implement a specific plan thereon within two months upon the conclusion of the general meeting.

CHAPTER V DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions on Directors

Article 101 Directors of the Company shall be natural persons. A person may not serve as a director of the Company in case of any of the following circumstances:

- (i) the person is without civil conduct capacity or with limited civil conduct capacity;
- (ii) the person has been sentenced to imprisonment for corruption, bribery, appropriation of property, misappropriation of property or disruption of the socialist market economic order, and the term of imprisonment has not yet exceeded five years, or the person has been deprived of political rights for the commission of a crime and the term of imprisonment has not yet exceeded five years, or the person has been pronounced to be on probation, the probationary period shall not exceed two years from the date of the expiration of the probationary examination period;
- (iii) the person is a director, factory director or manager of a company or an enterprise which is insolvent and under liquidation and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of such insolvency and liquidation of the company or enterprise;
- (iv) the person is a former legal representative of a company or an enterprise which had its business license revoked and was ordered to shut down due to a violation of the law and incurred personal liability, where less than three years have elapsed since the date of such revocation of the business license or the date of the order to close down of the company or enterprise;
- (v) the person is classified by the people's court as bad faith executives due to the failure of settling debts of a larger amount when they fall due;
- (vi) the person has been banned by the CSRC or the Hong Kong Stock Exchange from access to the securities market as not serving as a director or senior management member of a listed company, and the term of prohibition has not expired;
- (vii) the person has been publicly identified by the stock exchange as unsuitable to serve as a director or senior management member of a listed company, and the term has not expired;
- (viii) other contents stipulated by the laws, administrative regulations, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules or departmental rules.

Where any director is elected or appointed in contravention of the provisions prescribed by this article, such election, appointment or employment shall be void and null. Where any director falls under any of the aforesaid circumstances during his/her term of office, he/she shall immediately cease to perform duties. Where the Board becomes aware or ought to have become aware of the occurrence of such event, it shall immediately remove the director from office in accordance with the regulations.

The Nomination Committee of the Board shall assess the qualification of directors, and where it finds that any director does not meet the qualification requirements, it shall promptly make a recommendation to the Board for removal.

Article 102 Directors shall be elected or replaced at a general meeting, and the general meeting may, subject to the applicable laws, administrative regulations, departmental rules, normative documents, and the Hong Kong Listing Rules, remove any director from office by way of an ordinary resolution before the expiry of his/her term of office, provided that such removal shall be without prejudice to any claim for damages that such director may have under any contract. Directors shall hold office for a term of three years and shall be eligible for re-election upon expiry of their term of office. The term of office of independent directors is the same as that of other directors of the Company, and they may be re-elected upon expiration of their term of office, provided that they shall not serve consecutively for more than six years.

The term of office of a director shall commence from the date of taking the position until the expiry of the term of office of the current session of the Board. Where a re-election fails to be carried out in a timely manner upon the expiry of the term of office of a director, such director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until the newly elected director assumes the office. Subject to the relevant applicable laws and regulations and regulatory rules in Hong Kong, any person appointed by the Board as a director to fill a casual vacancy on the Board or as an addition to the Board shall hold office only until the first annual general meeting after his/her appointment and shall then be eligible for re-election.

Directors may concurrently serve as senior management personnel, but the total number of directors concurrently serving as senior management personnel and employee representative directors shall not exceed one-half of the total number of directors of the Company.

Article 103 Directors shall comply with the provisions of the laws, administrative regulations and the Articles of Association, and shall bear the duties of loyalty to the Company. Directors shall take measures to avoid conflicts between their own interests and the interests of the Company, shall not make use of their powers to gain undue advantage, and shall not perform any acts in violation of their duties of loyalty to the Company listed in Article 181 of the Company Law.

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

- (i) not to infringe upon the property of the Company or misappropriate its funds;
- (ii) not to deposit the Company's funds in an account in his/her personal name or in the name of others;
- (iii) not to use his/her official position to bribe or receive other illegal income;
- (iv) not to enter into a contract or transaction directly or indirectly with the Company without being reported to the Board or the general meeting and approved by a resolution of the Board or the general meeting in accordance with the provisions of the Articles of Association;
- (v) not to make use of the convenience of his/her position to seek for himself/herself or others business opportunities that belong to the Company, except when such business opportunities are reported to the Board or the general meeting and approved by a resolution of the general meeting, or when the Company is unable to make use of such business opportunities in accordance with the provisions of the laws, administrative regulations, or the Articles of Association;

- (vi) not to conduct the business of the same kind as that of the Company on his/her own account or for others without being reported to the Board or the general meeting and approved by a resolution of the general meeting;
- (vii) not to pocket commissions of transactions with the Company;
- (viii) not to disclose confidential information of the Company without authorisation;
- (ix) not to abuse his/her connections with the Company to jeopardize the interests of the Company;
- (x) other duties of loyalty as required by the laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules and the Articles of Association.

Any income derived by a director in violation of the provisions of this article shall belong to the Company; if it causes losses to the Company, the director shall be liable for compensation.

The provisions of sub-paragraph (iv) of the second paragraph of this article shall apply to the contracts or transactions with the Company entered into by close relatives of the directors or senior management personnel, enterprises directly or indirectly controlled by the directors or senior management personnel or their close relatives, as well as other related parties with whom the directors or senior management personnel have other related relationships.

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

Article 104 Directors shall comply with the laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules and the Articles of Association, owe a duty of diligence to the Company, and exercise the reasonable care that is usually expected of an administrator who acts in the best interest of the Company in performing their duties. Directors shall ensure that they have sufficient time and effort to perform their duties.

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

- (i) to exercise the rights conferred by the Company in a prudent, careful and diligent manner to ensure the business operations of the Company comply with the state's laws, administrative regulations and economic policies, not going beyond the scope of business specified in the Company's business license;
- (ii) to treat all shareholders impartially;
- (iii) to keep informed of the business operations and management of the Company;

- (iv) to issue a written confirmation opinion for the Company's regular reports, and to ensure the information disclosed by the Company is true, accurate and complete;
- (v) to honestly provide the Audit Committee with relevant information, and not to interfere with the Audit Committee in performing their duties and powers;
- (vi) to fulfill other duties of diligence stipulated by the laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules and the Articles of Association.

Article 105 A director who cannot attend the meetings of the Board in person twice consecutively nor appointed any other directors to attend on his/her behalf is deemed as failure in performing the duties, and shall be subject to replacement as recommended by the Board at the general meeting.

If an independent director fails to attend two board meetings consecutively in person or appoint another independent director to attend on his/her behalf, the Board shall, within 30 days from the date of occurrence of such fact, propose to convene a general meeting to terminate his/her duties as an independent director.

Article 106 A director may resign before the expiry of his/her term of office. The resigning director shall submit a written resignation report to the Company, and the resignation shall take effect on the date of receipt of the resignation report by the Company, and the Company shall disclose the relevant information within two trading days. In the event that the members of Board of the Company falls below the statutory minimum requirement as a result of the resignation of a director, the resigning director is still required to perform the duties of a director in accordance with the laws, administrative regulations, departmental rules, and the Articles of Association until the re-elected director assumes office.

Article 107 The Company shall establish a system to manage the departure of directors, specifying safeguards for pursuing and recovering liability in respect of unfulfilled public commitments and other outstanding matters. When a director's resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the Board. His/her duties of loyalty to the Company and the shareholders do not necessarily cease after the end of his/her term of service, and shall still be effective within reasonable timeframe stipulated in the Articles of Association. A director's liabilities arising from the performance of his/her duties during his/her term of office shall not be waived or terminated as a result of his/her departure. Any commitments unfulfilled at the time of a director's departure shall continue to be carried out.

The Company shall review whether a departing director has any outstanding obligations or unfulfilled commitments, and whether the departing director is suspected of any violations of laws or regulations.

Article 108 The general meeting may resolve to dismiss a director, and the dismissal shall take effect on the date of the resolution. If a director is dismissed before the expiry of his/her term of office without a legitimate reason, the director may request the Company to compensate him/her.

Article 109 No director may act, in his/her personal capacity, on behalf of the Company or the Board beyond provisions of the Articles of Association or without legitimate authorization by the Board. A director shall, when acting in his/her personal capacity, state his/her standing and identity in advance in cases where a third party would reasonably believe that the said director is acting on behalf of the Company or the Board.

Article 110 If a director, in the performance of his/her duties, causes damage to others, the Company shall be liable for compensation; the director shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

A director who violates any laws, administrative regulations, departmental rules or the Articles of Association in performing his/her duties and causes the Company to suffer losses shall be liable for compensation.

Subject to the approval by the general meeting, the Company may purchase liability insurance against liability incurred by a director in connection with the performance of his/her duties in the Company during his/her term of office.

Section 2 The Board

Article 111 The Company has established a Board, and the Board consists of nine directors, of whom at least three are independent directors and constitute at least one-third of the Board, and one employee director. The Board has one chairperson. The chairperson shall be elected by a majority of all directors.

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

- (i) to convene general meetings and report its work to the general meetings;
- (ii) to implement the resolutions of the general meetings;
- (iii) to determine business operation plans and investment plans of the Company;
- (iv) to formulate the profit distribution plans and plans for recovery of losses of the Company;
- (v) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (vi) to draft plans for major acquisitions of the Company, the repurchase of shares of the Company, or merger, division, dissolution and change in the form of the Company;

- (vii) to determine, to the extent authorized by the general meeting, on such matters as the external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, related party transactions and external donations of the Company;
- (viii) to determine the internal management organization of the Company;
- (ix) to determine the appointment or dismissal of the general manager of the Company, the Board secretary and other senior management personnel, and decide on their remuneration, rewards and penalties; and based on the nomination of the general manager, to determine the appointment or dismissal of the senior management personnel including deputy general manager(s) and the chief financial officer of the Company and determine their remuneration, rewards and penalties;
- (x) to formulate the basic management system of the Company;
- (xi) to manage the information disclosure of the Company;
- (xii) to formulate proposals for any amendment of the Articles of Association;
- (xiii) to propose to the general meeting for appointment or replacement of the accounting firms which provide audit services to the Company;
- (xiv) to listen to work reports of the general manager of the Company and review his/her work;
- (xv) other duties and responsibilities as stipulated in the laws, administrative regulations, departmental rules, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules or the Articles of Association.

Matters exceeding the scope of authorization granted by the general meeting shall be submitted to the general meeting for consideration.

Article 113 The Board of the Company shall provide an explanation to the general meeting in respect of any non-standard audit opinions issued by certified public accountant on the financial reports of the Company.

Article 114 The Board shall formulate the rules of procedure of the Board to ensure the implementation by the Board of resolutions of the general meeting, improve the efficiency of work and ensure scientific decision-making.

The rules of procedure of the Board stipulate the procedures for convening of and voting at the Board meetings, and shall be annexed to the Articles of Association, formulated by the Board and approved by the general meeting.

Article 115 The Board shall determine the scope of authorities in respect of external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, related party transactions and external donations, and establish strict examination and decision-making procedures. Material investment projects shall be reviewed by experts and professionals and proposed to the general meeting for approval.

The specific authorities of the Board, within the scope of the authority of the general meeting, as described in the preceding paragraph are as follows:

- (i) to review and approve external guarantees other than those to be decided by the general meeting as required by the laws, regulations and the Articles of Association;
- (ii) to review and approve the Company's non-related party transactions (excluding the provision of guarantees) that meet one of the following criteria, provided that the threshold for submission to the general meeting for review is not met:
 - 1. the total amount of assets involved in the transaction (if such assets have both book value and appraised value, whichever is higher) accounts for 10% or more of the Company's latest audited total assets;
 - 2. the transaction value accounts for 10% or more of the Company's market value;
 - 3. the net assets of the subject of the transaction (such as equity interests) for the latest financial year accounts for 10% or more of the Company's market value;
 - 4. the operating revenue related to the subject of the transaction (such as equity interests) for the latest financial year accounts for 10% or more of the Company's audited operating revenue for the same period, and exceeds RMB10 million;
 - 5. the profit derived from the transaction accounts for 10% or more of the Company's audited net profit for the latest financial year, and exceeds RMB1 million;

6. the net profit in connection with the subject of the transaction (such as equity interests) for the latest financial year accounts for 10% or more of the Company's audited net profit for the same period, and exceeds RMB1 million;
7. the transaction amount of the Company's ordinary transactions accounts for 50% or more of the Company's latest audited total assets, and the absolute value thereof exceeds RMB100 million;
8. the transaction amount of the Company's ordinary transactions accounts for 50% or more of the Company's audited operating revenue or operating costs for the latest financial year, and exceeds RMB100 million;
9. the total profit expected to be derived from the Company's ordinary transactions accounts for 50% or more of the Company's audited net profit for the latest financial year, and exceeds RMB5 million.

In case that a certain figure involved in the calculation of the aforesaid indicators is of negative value, the absolute value thereof shall be used in the calculation.

Where the applicable laws and regulations, the laws or the securities regulatory authorities of the place where the Company's shares are listed provide otherwise for the thresholds of transactions required to be submitted to the Board for consideration, the Company shall comply with such provisions.

- (iii) to review and approve related party transactions (excluding the provision of guarantees) that meet one of the following criteria, provided that the threshold for submission to the general meeting for review is not met:
 1. those transactions between the Company and related natural persons with a transaction amount exceeding RMB300,000;
 2. those transactions between the Company and related legal persons where the transaction amount accounts for more than 0.1% of the Company's latest audited total assets or market value and exceeds RMB3 million;
 3. those related party transactions that shall be approved by the chairperson of the Board or general manager, but where the chairperson of the Board is a related director.

- (iv) if the amount of the above transactions or guarantees exceeds the upper limit of the authority of the Board for review, the Board shall submit them to the general meeting for review and approval; if the amount of the above transactions falls below the lower limit of the authority of the Board for review, the chairperson of the Board is authorized to review and approve them, except for the external guarantees of the Company. Among them, for guarantees within the authority of the Board, in addition to being approved by a majority of all directors, they shall also be approved by more than two-thirds of the directors attending the Board meeting. The chairperson of the Board may authorize the general manager to approve matters within the scope of his/her review and approval authority;
- (v) to consider those major transactions and related party (connected) transactions that shall be considered by the Board in accordance with the listing rules of the place where the Company's securities are listed and other requirements.

Article 116 The chairperson of the Board shall exercise the following duties and powers:

- (i) to preside over general meetings, convene and preside over the Board meetings;
- (ii) to monitor and check the implementation of the resolutions of the Board;
- (iii) transactions subject to the review and approval of the chairperson of the Board as authorized under the Articles of Association;
- (iv) other duties and powers conferred by the Board.

Article 117 Where the chairperson of the Board is unable to or fails to perform his/her duties, more than half of the directors shall jointly elect a director to perform the duties.

Article 118 Meetings of the Board shall be held at least twice a year and shall be convened by the chairperson of the Board and written notice shall be served on all directors 10 days prior to the meeting. With the unanimous consent of all directors of the Company, the aforesaid notice period for convening the regular Board meetings may be shortened or waived.

Article 119 Shareholders representing more than 10% of the voting rights, more than one third of the directors or the Audit Committee may propose to hold an extraordinary meeting of the Board. The chairperson of the Board shall convene and preside over the meeting of the Board within 10 days after the receipt of the proposal.

Article 120 A notice in writing shall be given three days in advance for the convening of an extraordinary meeting of the Board. However, for extraordinary meetings of the Board conducted with the consent of all directors or in special and urgent circumstances, as well as for extraordinary meetings of the Board with voting conducted by telecommunication means, such meetings may be notified at any time and convened immediately.

Article 121 The notice of a meeting of the Board shall include (but is not limited to) the following:

- (i) date and place of the meeting;
- (ii) duration of the meeting;
- (iii) reasons for holding the meeting and proposals to be considered;
- (iv) date of serving the notice;
- (v) other matters such as attendees and their contact information.

Article 122 The Board meeting shall be held upon the attendance of more than half of directors. A resolution of the Board must be passed by more than half of all directors.

Resolutions of the Board are voted by way of poll with each director having one vote.

Article 123 If any director has connections with the entity or individual involved in the resolution made at the Board meeting, the said director shall promptly report in writing to the Board and shall not vote on the said resolution for himself/herself or on behalf of another director. The Board meeting may be held when more than half of the non-connected directors attend the meeting, and the resolution of the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meeting is less than three, the issue shall be submitted to the general meeting for consideration.

Article 124 Resolutions of the Board meetings shall be voted by poll.

An extraordinary meeting of the Board may be held by telecommunication means such as telephone, video, facsimile, email and the internet, during which resolutions may be passed and signed by participating directors, provided that all directors can fully express their opinions.

A resolution of the Board may be adopted in writing after it is signed by all directors of the Board, without convening a meeting of the Board, provided that the written resolution to be adopted is sent to each director. For this purpose, each director may sign different copies of the same written resolution, with all copies collectively constituting a valid written resolution. Furthermore, for this purpose, the facsimile signature of a director shall be valid and binding. Such a written resolution shall have the same effect as if it had been passed at a meeting of the Board duly convened and held.

Article 125 Directors shall attend the Board meeting in person. Where a director is unable to attend the meeting for any reason, he/she may entrust another director by a written power of attorney to attend the meeting on his/her behalf. The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or affixed with a seal by the appointing director. A director appointed as a representative of another director to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director. Where a resolution is put forward for voting, the appointing director shall clearly indicate in the power of attorney whether he/she wishes to vote for or against or abstain from voting on each resolution, and the directors shall not make or accept an appointment without voting intentions, with full authorization, or authorization with unclear scopes. Where a director is unable to attend the Board meeting and has not appointed a representative to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

One director shall not accept the appointment by more than two directors, and a director shall also not appoint any other director who has been appointed by two other directors to attend the meeting on his/her behalf.

Where a related party transaction is considered at the Board meeting, a director who is not a related party must not appoint a director who is a related party to attend the meeting on his/her behalf. A director appointed as a representative of another director to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director.

Article 126 The Board shall keep minutes of resolutions passed at the Board meeting. The minutes shall be signed by the attending directors.

The minutes of the Board shall be kept as archives of the Company for a period of ten years.

Article 127 The minutes of the Board shall include the following:

- (i) date and place of the meeting and name of the convener;
- (ii) names of the attending directors and names of the directors (proxies) appointed by others to attend the Board meeting;
- (iii) agenda of the meeting;
- (iv) main points of directors' speeches;
- (v) method and result of the voting for each proposal (the voting result should specify the number of votes for and against the proposal or abstention).

Section 3 Independent Directors

Article 128 Independent directors shall diligently perform their duties in accordance with the laws, administrative regulations, as well as the requirements of the CSRC, the stock exchange and the Articles of Association. They shall play a role in decision-making, supervision, and professional consultation within the Board, safeguarding the overall interests of the Company, and protecting the legitimate rights and interests of minority shareholders.

Article 129 Independent directors must maintain independence. The following persons shall not serve as independent directors:

- (i) persons employed by the Company or its affiliated enterprises, as well as their spouses, parents, children, and major social relations;
- (ii) natural persons who directly or indirectly hold more than 1% of the Company's issued shares or are among the top ten shareholders of the Company, as well as their spouses, parents, and children;
- (iii) persons employed by shareholders who directly or indirectly hold more than 5% of the Company's issued shares or are among the top five shareholders of the Company, as well as their spouses, parents, and children;
- (iv) persons employed by affiliated enterprises of the Company's controlling shareholders or de facto controllers, as well as their spouses, parents, and children;
- (v) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers, or their respective affiliated enterprises, or who are employed by entities that have significant business dealings with the Company, and their controlling shareholders or de facto controllers;
- (vi) persons who provide financial, legal, consulting, or underwriting services to the Company, its controlling shareholders, de facto controllers, or their respective affiliated enterprises, including but not limited to project team members, reviewers, signatories, partners, directors, senior management personnel, and principal responsible persons of intermediary institutions providing such services;
- (vii) persons who have had any of the circumstances listed in sub-paragraphs (i) to (vi) within the past 12 months;
- (viii) other persons deemed not independent under the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules or the Articles of Association.

Affiliated enterprises of the Company's controlling shareholders or de facto controllers referred to in sub-paragraphs (iv) to (vi) of the preceding paragraph do not include enterprises which are controlled by the same state-owned assets administration organ as the Company and, in accordance with relevant regulations, are not considered related parties of the Company.

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

Article 130 The following conditions shall be met in order to serve as an independent director of the Company:

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

Article 131 As members of the Board, the independent directors shall owe duties of loyalty and diligence to the Company and all shareholders to prudently perform the following duties:

- (i) to participate in the decision-making of the Board and to express a definite opinion on the matters under discussion;
- (ii) to supervise potential material conflict of interests between the Company and its controlling shareholders, de facto controllers, directors and senior management personnel, and protect the legitimate rights and interests of minority shareholders;
- (iii) to provide professional and objective advice on the Company's operation and development and to promote the improvement of the Board's decision-making level;
- (iv) other duties as prescribed by the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules and the Articles of Association.

Article 132 The independent directors shall exercise the following special duties and powers:

- (i) to engage independently intermediaries to audit, consult or verify specific matters of the Company;
- (ii) to propose to the Board the convening of an extraordinary general meeting;

- (iii) to propose a Board meeting;
- (iv) to solicit openly shareholders' rights from shareholders in accordance with laws;
- (v) to express independent opinions on matters that may prejudice the interests of the Company or minority shareholders;
- (vi) other duties and powers prescribed by the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules and the Articles of Association.

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

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

Article 133 The following matters shall be submitted to the Board for review after obtaining the approval of more than half of all independent directors:

- (i) related-party transactions that require disclosure;
- (ii) proposals for the Company and related parties to change or waive commitments;
- (iii) decisions made and measures taken by the board of directors of an acquired listed company in response to the acquisition;
- (iv) other matters stipulated by the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules or the Articles of Association.

Article 134 The Company shall establish a mechanism for special meetings composed entirely of independent directors. Matters such as related-party transactions to be reviewed by the Board shall first be approved by the special meeting of independent directors.

The Company shall convene special meetings of independent directors on a regular or ad hoc basis. Matters listed in sub-paragraphs (i) to (iii) in the first paragraph of Article 132 and Article 133 of the Articles of Association shall be reviewed by the special meeting of independent directors.

The special meeting of independent directors may study and discuss other matters of the Company as needed. The special meeting of independent directors shall be convened and presided over by one independent director jointly nominated by more than half of the independent directors. If the convener fails to perform his/her duties or is unable to do so, two or more independent directors may convene the meeting and nominate one proxy to preside.

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

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

Section 4 Special Committees of the Board

Article 135 The Board of the Company shall establish an Audit Committee, which shall exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law.

Article 136 The members of the Audit Committee shall consist of at least three directors, all of whom shall be non-executive directors, and shall be directors who do not hold senior management positions within the Company, among them, more than half of the members shall be independent non-executive directors, at least one of whom must be an accounting professional, and the convener of the Audit Committee shall be a non-executive director who has accounting expertise. Employee representatives who are members of the Board of the Company may become members of the Audit Committee. More than half of the members of the Audit Committee shall not hold any other positions other than directorships in the Company, and shall not have any relationship with the Company that may affect their independent and objective judgment.

Article 137 The Audit Committee is responsible for reviewing financial information and disclosure, supervising and evaluating internal and external audit work and internal control of the Company. The following matters shall be submitted to the Board for consideration after approval by the majority of all members of the Audit Committee:

- (i) disclosure of financial information in financial and accounting reports and periodic reports, and evaluation reports on internal control;
- (ii) engagement or dismissal of the accounting firm engaged in the listed company's audit business;
- (iii) appointment or dismissal of the chief financial officer of the listed company;
- (iv) changes in accounting policies and accounting estimates made for reasons other than changes in accounting standards, or corrections of material accounting errors;
- (v) other matters as required by the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules, the Articles of Association and the Terms of Reference of the Audit Committee of the Board of Directors.

Article 138 The Audit Committee shall hold at least one meeting per quarter. Extraordinary meetings may be convened upon the proposal of two or more members or if the convener deems it necessary. A meeting of the Audit Committee shall require the attendance of at least two-thirds of its members to be valid.

Resolutions of the Audit Committee shall require the approval of more than half of its members. Each member shall have one vote on the resolutions of Audit Committee. Minutes of Audit Committee meetings shall be prepared as required, and attending members shall sign on the minutes.

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

Article 139 In addition to the Audit Committee, the Board has established four special committees, namely the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Environmental, Social and Governance (ESG) Committee. These special committees shall perform their duties in accordance with the Articles of Association, their respective terms of reference and the authorization of the Board. Proposals of these committees shall be submitted to the Board for consideration and approval. The working procedures of these special committees shall be formulated by the Board.

Article 140 The Strategy Committee is responsible for the Company's long-term development and major investment decisions. The main duties and authorities of the Strategy Committee are as follows:

- (i) to conduct research and make recommendations on the Company's long-term development and strategic plans;
- (ii) to conduct research and make recommendations on major investment and financing plans which are subject to the approval of the Board as stipulated in the Articles of Association;
- (iii) to conduct research and make recommendations on major capital operations and asset management projects which are subject to the approval of the Board as stipulated in the Articles of Association;
- (iv) to conduct research and make recommendations on other significant matters affecting the Company's development;
- (v) to review the implementation of the aforesaid matters;
- (vi) other matters as stipulated in the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules, the Articles of Association and the Terms of Reference of the Strategy Committee.

Article 141 The Nomination Committee is responsible for considering and formulating the criteria and procedures for the selection of directors and senior management personnel, selecting and reviewing candidates for directorships and senior management positions and their qualifications after taking full account of factors such as the composition and professional structure of the Board, and making recommendations to the Board on the following matters:

- (i) the nomination or appointment or dismissal of directors and succession planning for directors;
- (ii) the appointment or dismissal of senior management personnel;
- (iii) other matters as required by the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules, the Articles of Association and the Terms of Reference of the Nomination Committee.

If the Board does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting the same in a Board resolution, and make relevant disclosure.

Article 142 The Remuneration and Appraisal Committee is responsible for formulating the evaluation criteria for directors and senior management personnel and conducting the evaluation, preparing and reviewing the remuneration policies and proposals for directors and senior management personnel such as the remuneration determination mechanism, the decision-making process, and the payment and clawback arrangements for directors and senior management personnel, and making recommendations to the Board on the following matters:

- (i) the policy and structure for all directors' and senior management personnel's remuneration and the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) the remuneration of non-executive directors;
- (iii) the formulation of or making amendments to equity incentive plans or employee shareholding schemes, and the conditions to be achieved for participants to be granted interests or to exercise interests;
- (iv) the arrangement of shareholding schemes for directors and senior management personnel in respect of the proposed spin-off of subsidiaries;
- (v) other matters as stipulated in the relevant provisions of the laws, administrative regulations, the requirements of the CSRC, the laws and regulations of the place where the shares of the Company are listed, the Hong Kong Listing Rules, the Articles of Association, and the Terms of Reference of the Remuneration and Appraisal Committee.

If the Board has not adopted or has not fully adopted the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for not adopting the same in a Board resolution, and make relevant disclosure.

Article 143 The Environmental, Social and Governance (ESG) Committee is primarily responsible for making recommendations to the Board regarding the development of the Company's sustainable development plans and ESG strategies. The main duties and authorities of the ESG Committee are as follows:

- (i) to research and make recommendations on the Company's ESG development strategies and plans;
- (ii) to guide and review the Company's overall ESG philosophy, target and strategy, the identification and prioritisation of ESG issues, to supervise the formulation of the Company's ESG management performance target; to review the progress towards achieving the target and to advise on actions to be taken to achieve the target;
- (iii) to evaluate the risk and opportunity associated with ESG to ensure the establishment of an effective ESG risk management and internal monitor systems;

- (iv) to review, monitor and approve the publication of the annual Environmental, Social and Corporate Governance Report of the Company, as well as other ESG-related disclosure information regarding healthcare, business ethics, employee rights, climate change and other issues, to ensure compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which may be amended from time to time, to report to the Board on the compliance with relevant requirements, and to recommend specific actions or decisions to the Board to maintain the integrity of the Environmental, Social and Corporate Governance Report;
- (v) to regularly review the ESG work report and other reports submitted by the working group, to review and assess the Company's compliance with ESG policies, and to report the concluding opinions of the evaluation to the Board;
- (vi) to research and formulate, and make recommendations on strategies and policies for the social welfare of the Company;
- (vii) to raise inquiries on major production and operation issues that affect the Company's performance in sustainable development, and to inspect and promote the resolution of these issues;
- (viii) to supervise the Company's ESG policies and ensure timely compliance with national policies, laws and regulations, and the requirements of securities regulatory authorities and stock exchanges in the places where the Company's shares are listed;
- (ix) other duties delegated by the Board.

CHAPTER VI SENIOR MANAGEMENT PERSONNEL

Article 144 The Company shall have one general manager, who shall be appointed or dismissed by the Board.

The Company shall have a number of deputy general managers, a chief financial officer, and a Board secretary, who shall be appointed or dismissed by the Board.

The general manager, deputy general managers, the Board secretary and the chief financial officer of the Company are the senior management personnel of the Company.

Article 145 The circumstances in which a person may not act as a director shall also apply to senior management personnel.

Where any senior management member falls into any circumstance that disqualifies him/her from holding the position of senior management personnel during his/her term of office, he/she shall immediately cease to perform duties and resign. Where the senior management member fails to resign, the Board becomes aware or ought to have become aware of the occurrence of such event, it shall immediately remove him/her from office in accordance with the regulations.

The Nomination Committee of the Board shall assess the qualifications of senior management personnel. If it finds that any senior management member does not meet the qualification requirements, it shall promptly propose to the Board to remove such senior management member from his/her position.

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

Article 146 A person holding administrative duties other than directors and supervisors in any entity of the Company's controlling shareholders shall not hold the office of senior management personnel of the Company.

Senior management personnel of the Company shall receive their salaries only from the Company and shall not be paid by the controlling shareholders on their behalf.

Article 147 The general manager shall serve for a term of 3 years and may serve consecutive terms if re-appointed.

Article 148 The general manager shall report to the Board and exercise the following duties and powers:

- (i) to take charge of the production, operation and management of the Company, organize the implementation of the resolutions of the Board, and report his/her work to the Board;
- (ii) to organize the implementation of annual plans and investment schemes of the Company;
- (iii) to draft the plans for the establishment of the internal management organization of the Company;
- (iv) to draft the basic management system of the Company;
- (v) to formulate the rules and regulations of the Company;
- (vi) to propose to the Board the appointment or dismissal of the deputy general manager and chief financial officer of the Company;

- (vii) to decide on the appointment or dismissal of responsible management personnel other than those who should be appointed or dismissed by the Board;
- (viii) other duties and powers as may be conferred by the Articles of Association or by the Board of the Company.

Article 149 The general manager shall formulate the working rules of the general manager, which shall be implemented upon approval by the Board.

Article 150 The working rules of the general manager include the following:

- (i) conditions and procedures for convening and participants of the general manager's meetings;
- (ii) the specific duties and division of labor of the general manager and other senior management personnel;
- (iii) the use of funds and assets of the Company, authority to enter into material contracts and system for reporting to the Board;
- (iv) other matters as deemed necessary by the Board.

Article 151 The general manager may resign before the expiration of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be set out in the service contract entered into between him/her and the Company.

Article 152 The appointment and dismissal procedures, duties and powers of the deputy general manager and the chief financial officer, as well as their relationship with the general manager, are stipulated in the working rules of the general manager.

Article 153 The Company shall have a Board secretary, who is responsible for preparing for general meetings and Board meetings of the Company, maintaining documents and managing shareholders' information of the Company, as well as handling information disclosure matters.

The Board secretary of the Company shall comply with the laws, administrative regulations, departmental rules and the relevant provisions of the Articles of Association.

Article 154 If the senior management personnel perform their duties and cause damage to others, the Company shall be liable for compensation; if the senior management personnel act intentionally or with gross negligence, they shall also be liable for compensation. If the senior management personnel violate the laws, administrative regulations, departmental rules or the provisions of the Articles of Association when performing their duties in the Company, they shall be liable for compensation for any loss caused to the Company.

The senior management personnel of the Company shall perform their duties faithfully and safeguard the best interests of the Company and all shareholders. If the senior management personnel of the Company fail to perform their duties faithfully or violate their integrity obligation, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the laws.

Article 155 The Company shall enter into employment contracts with its senior management personnel, specifying the rights and obligations of both parties, including the liability of senior management personnel for violation of laws, regulations, and the Articles of Association, as well as their post-employment obligations and the procedures for recourse and recovery of compensation.

When the senior management personnel resign from the Company, they shall complete all necessary work handover procedures. Any liability incurred by the senior management personnel in the performance of their duties during their term of office shall not be waived or terminated by reason of their departure. Any commitments made by them that remain unfulfilled at the time of departure shall continue to be performed.

The Company shall review whether a departing senior management member has any outstanding obligations or unfulfilled commitments, and whether there is any suspected violation of laws or regulations.

CHAPTER VII FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

Section 1 Financial Accounting System

Article 156 The Company shall formulate its financial accounting system in accordance with the laws, administrative regulations and the requirements of the relevant departments of the state and the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules.

Article 157 The disclosure of periodic reports of A Shares: The Company shall report and disclose its annual reports to the CSRC and the Shanghai Stock Exchange within four months from the end of each fiscal year, and report and disclose its interim report to the local office of the CSRC and the Shanghai Stock Exchange within two months from the end of the first half of each fiscal year.

The disclosure of periodic reports of H Shares: The periodic reports of H Shares of the Company include annual reports and interim reports. The Company shall disclose a preliminary announcement of the annual results within three months from the end of each fiscal year and prepare and disclose the annual report within four months from the end of each fiscal year, with at least 21 days before the annual general meeting. The Company shall disclose a preliminary announcement of the interim results within two months from the end of the first six months of each fiscal year and prepare and disclose the interim report within three months from the end of the first 6 months of each fiscal year.

The above annual reports, annual results, interim reports and interim results are prepared in accordance with the relevant laws, administrative regulations, departmental rules, as well as the requirements of the securities regulatory authorities and stock exchanges where the Company's shares are listed.

Article 158 The Company shall not keep accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

Article 159 When distributing after-tax profits of the year, the Company shall set aside 10% of its after-tax profits for the Company's statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached 50% or more of the Company's registered capital, the Company needs not make any further allocations to that fund.

Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding years, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve in accordance with the preceding provisions.

Subject to a resolution passed at a general meeting, after allocation has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.

Except for the portion not to be distributed in proportion to shareholdings as stipulated in the Articles of Association or agreed by the shareholders, the remaining after-tax profits, after recovery of losses and appropriation of statutory reserve fund, shall be distributed to shareholders in proportion to their shareholdings.

Where the Company distributes its profits to the shareholders in breach of the Company Law, shareholders shall refund to the Company the profits distributed in violation of the provisions; if the Company incurs losses as a result, the shareholders and the responsible directors and senior management personnel shall be liable for compensation.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

Article 160 The general meeting may distribute dividends in the form of cash, shares or a combination of both. On the premise that the Company's profitability and cash flow are sufficient for the Company's normal production and operation, long-term development, the Company shall implement a proactive cash dividend distribution policy.

The basic principles for profit distribution of the Company are as follows:

- (i) the Company shall maintain continuous and stable profit distribution policy, and the Company should pay attention to bringing reasonable return to investors and take into account the sustainable development of the Company in terms of profit distribution;
- (ii) the Company may distribute profits in cash or shares, and the profit distribution shall not exceed the accumulated distributable profit or adversely affect the ability of the Company to continue as a going concern;
- (iii) the Company shall distribute profit by way of cash dividends as its priority. If the conditions for cash dividends are satisfied, priority shall be given to cash dividends for profit distribution, the Company shall maintain the consistency, reasonableness, and stability of its cash dividend policy, and shall increase the frequency of cash distributions when conditions for profit distribution are met;
- (iv) the Board and the general meetings of the Company shall, in the decision-making and discussion process in respect of profit distribution policies, fully consider the opinions of independent directors and public investors in their respective meetings.

Article 161 The specific policies for the profit distribution of the Company are as follows:

(i) form of profit distribution

The Company shall distribute profits in cash or shares, or the combination of cash and shares and other forms permitted by the laws and regulations; the Board of the Company may propose an interim dividend based on the current profit scale, cash flow status, development stage and capital needs of the Company.

(ii) The specific conditions for the cash dividend distribution

1. positive figures are recorded for the distributable profit of the Company (i.e. the remaining after-tax profits after the Company has covered losses and appropriated statutory reserve fund) during the year;
2. a standard unqualified audit report is issued in respect of financial report by accounting firms engaged by the Company during the year. Meanwhile, the asset-liability ratio is not more than 70% indicated by the latest financial statement of the Company and the cash balance is positive;
3. in the coming twelve months, no significant investment plans or significant cash expenditures will occur, or the capital needs of the Company's normal production and operation can still be met under the premise of considering the implementation of the above-mentioned significant investment plans or significant cash expenditures and the cash dividends for the year.

Significant investment plans or significant cash expenditures above refer to any of the followings:

- (1) the aggregate amount of proposed external investments, acquisition of assets or purchase of equipment by the Company in the coming twelve months amounts to or exceeds 50% of the latest audited net assets of the Company and are more than RMB50 million;
- (2) the aggregate amount of proposed external investments, acquisition of assets or purchase of equipment by the Company within the next twelve months amounts to or exceeds 30% of the latest audited total assets of the Company.

According to the relevant provisions of the Articles of Association on the functions and powers of the Board and the general meeting, the above-mentioned significant investment plans or significant cash expenditures shall be approved by the Board and submitted to the general meeting for consideration and approval before implementation.

4. Cash dividend payout ratio

On the premise that the specific conditions for cash dividends are met, the cumulative profit distributed in cash for every consecutive three years shall not be less than 30% of the average annual distributable profit realized for three consecutive years. The profit distributed by the Company in cash each year shall not be less than 10% of the distributable profit realized in that year.

The Board of the Company shall comprehensively consider the characteristics of the industry in which the Company is located, its development stage, its own business model, profitability level and whether there are significant capital expenditure arrangements and other factors, distinguish the following circumstances, and propose differentiated cash dividend policies in accordance with the procedures prescribed in the Articles of Association:

- (1) if the Company is in a mature stage of development and has no significant cash expenditure arrangements, the minimum proportion of cash dividends in the profit distribution should be no less than 80%;
 - (2) if the Company is in a mature stage of development and has significant cash expenditure arrangements, the minimum proportion of cash dividends in the profit distribution should be no less than 40%;
 - (3) if the Company is in a growth stage of development and has significant cash expenditure arrangements, the minimum proportion of cash dividends in the profit distribution should be no less than 20%; if the stage of development of the Company is not readily identified but there are significant cash expenditure arrangements, the matter can be handled according to the provisions of the preceding paragraph.
5. conditions for stock dividend distribution: When the Company is in good operating condition, and the Board believes that the operating revenue is growing rapidly, the profit investment is more favorable, the Company's stock price does not match the Company's share capital level, and the payment of stock dividends is conducive to the overall interests of all shareholders of the Company, the stock dividend distribution plan may be proposed on the basis that the above conditions for cash dividend distribution are met.

Article 162 The decision-making procedures for profit distribution plans of the Company are as follows:

The Company shall comply with the decision-making procedures set out in the Articles of Association when formulating its profit distribution policy. The Board shall study and discuss matters relating to the returns for shareholders, draw up a specific and clear plan on shareholder return and give detailed explanation on the reasons for the arrangement of the plan.

The annual profit distribution proposal of the Company shall be proposed and prepared by the Board in accordance with the requirements of the Articles of Association and in view of the profitability, capital needs and the shareholder return plan. The Company shall actively communicate with shareholders, particularly minority shareholders, through various channels, fully listening to their opinions and requests, and responding to their concerns in a timely manner.

When the Company formulates a specific cash dividend plan, the Board shall carefully study and discuss the timing, conditions and minimum proportion of the Company's cash dividends, the conditions for adjustment and the requirements of its decision-making procedures, and shall consult all independent directors in writing in advance, and independent directors shall express clear opinions. Independent directors may solicit the opinions of minority shareholders, put forward a dividend proposal, and directly submit it to the Board for consideration.

The Board shall form a resolution on the profit distribution plan and submit it to the general meeting for consideration. When considering the profit distribution plan, the general meeting should fully listen to the opinions and demands of minority shareholders and provide online voting for the shareholders.

The Audit Committee shall supervise the implementation of the Company's profit distribution policy and shareholder return plan by the Board and the decision-making procedures thereof.

Article 163 The surplus reserves of the Company shall be used to make up for the Company's losses, expand the production and operations of the Company or increase the Company's capital.

The discretionary reserve fund and statutory reserve fund shall be used first to make up for the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the regulations.

Where the statutory reserve fund is converted into the capital, the amount of such reserve fund retained shall be no less than 25% of the Company's registered capital prior to the conversion.

Article 164 After the Company's general meeting resolves to adopt the Company's profit distribution plan, or after the Board of the Company formulates a specific plan based on the conditions and upper limit of interim dividends for the following year approved by the annual general meeting, the distribution of dividends (or shares) shall be completed within two months.

Article 165 Where the Company needs to adjust its profit distribution policy in light of its production and operations, investment plans and the requirements of its long-term development, the adjustment to the profit distribution policy shall be made by amending the relevant articles concerning the profit distribution policy in the Articles of Association.

Section 2 Internal Audit

Article 166 The Company shall implement an internal audit system, which clearly defines the leadership system, duties and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit. The internal audit system of the Company shall be implemented after being approved by the Board and disclosed to the public.

Article 167 The internal audit department of the Company shall supervise and inspect the Company's matters such as business activities, risk management, internal control, and financial information. The internal audit department shall maintain its independence, appoint full-time auditors, and shall not be placed under the leadership of the finance department or share office space with the finance department.

Article 168 The internal audit department is accountable to the Board.

When monitoring and examining the Company's business activities, risk management, internal control, and financial information, the internal audit department shall be subject to the oversight and guidance of the Audit Committee. If the internal audit department discovers any significant issues or leads, it shall immediately report to the Audit Committee directly.

Article 169 The internal audit department is responsible for the specific organization and implementation of the Company's internal control evaluation. Based on the evaluation report and relevant materials issued by the internal audit department and reviewed by the Audit Committee, the Company shall issue its annual internal control evaluation report.

Article 170 When the Audit Committee communicates with external auditors such as accounting firms and national audit agencies, the internal audit department shall actively cooperate and provide necessary support and collaboration.

Article 171 The Audit Committee shall participate in the appraisal of the person-in-charge of internal audit.

Section 3 Appointment of an Accounting Firm

Article 172 The Company shall appoint such accounting firm that meets the requirements of the Securities Law for carrying out the audit for the accounting statements, verification of net assets, and other relevant consultancy services. The term of appointment shall be one year and can be re-appointed.

Article 173 The appointment of accounting firm by the Company shall be subject to the approval of the general meeting. The Board shall not appoint an accounting firm before the approval of the general meeting.

Article 174 The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information, and shall not refuse to provide, withhold or misrepresent any such information.

Article 175 The auditing fees payable to the accounting firm shall be determined by the general meeting.

Article 176 Where the Company dismisses or does not renew the engagement of an accounting firm, the Company shall notify the accounting firm 30 days in advance; but when the dismissal of the accounting firm is voted at a general meeting, the accounting firm shall be allowed to present its opinions. If the accounting firm resigns, it shall explain to the general meeting regarding whether the Company has any non-compliance.

CHAPTER VIII NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 177 Subject to the laws, administrative regulations, the relevant rules of the stock exchange of the place where the Company's shares are listed, the notices of the Company are sent out in the following manner:

- (i) by hand;
- (ii) by post;
- (iii) by way of announcement on the Company's website and the website designated by the Shanghai Stock Exchange and the Hong Kong Stock Exchange;

- (iv) by means of facsimile and e-mail;
- (v) by other means as prescribed or recognized by the laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, the relevant regulatory authorities in the place where the Company's shares are listed and the Articles of Association.

For the purpose of providing or delivering corporate communication to the shareholders as required by the Hong Kong Listing Rules, and subject to the laws and regulations of the place where the Company's shares are listed, the Hong Kong Listing Rules and the Articles of Association, the Company may post such corporate communication on the designated website of the Company, the website of the Shanghai Stock Exchange and the website of the Hong Kong Stock Exchange or deliver such corporate communication by electronic means. "Corporate communication" stated above refers to the documents issued or to be issued by the Company to the shareholders or other persons, as required by the Hong Kong Listing Rules, for information or action, including, but not limited to, the annual report, including the report of directors, the annual accounts of the Company, auditing reports and financial summary report (if applicable), the interim report and its summary (if applicable), quarterly report, meeting notice, listing documents, circular and proxy form, etc.

Article 178 In case of notification by means of public announcement in exercise of the powers stipulated in the Articles of Association, such announcement shall be published by the way as required by the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules. Notices issued by the Company shall be deemed to have been received by all relevant persons once they are published in the form of an announcement.

Article 179 A notice of convening a general meeting by the Company shall be issued by way of announcement.

Article 180 A notice of convening a Board meeting by the Company shall be issued by the way stipulated in the Articles of Association.

Article 181 If the notice of the meetings is delivered by hand, the addressee shall sign (or stamp) on the receipt of service, and the date of signature of the addressee shall be the date of service; if a notice is sent by mail, the date of service shall be the third business day after the date of delivery to the post office; where a notice is sent by facsimile or e-mail, the date of sending the notice shall be the date of service; if a notice is sent by announcement, the date of the first publication of the announcement shall be the date of service.

Article 182 Where a notice of convening a meeting is not issued to a person entitled to the notice or such a person fails to receive the notice for any accidental omission, the validity of the meeting and the resolutions of the meeting shall not be affected.

Section 2 Announcements

Article 183 The Company designates newspapers recognized by the CSRC, the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk) as the media to publish the Company's announcements and other information required to be disclosed.

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

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 184 Merger of the Company may take the form of absorption or establishment of a new company.

In case of merger by absorption, a company absorbs any other company and the absorbed company shall be dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger shall be dissolved.

Article 185 If the consideration to be paid by the Company for the merger does not exceed 10% of the Company's net assets, it may not be subject to resolution of the general meeting, except otherwise stipulated by the Articles of Association.

Where the Company's merger is exempted from approval by a resolution of the general meeting as stipulated in the preceding two paragraphs, it shall be subject to approval by a resolution of the Board.

Article 186 If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property checklist. The Company shall notify the creditors within 10 days from the date of the resolution regarding the merger and make an announcement in a newspaper at or above the municipal level or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

A creditor may, within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, demand the Company to repay its debts or provide guarantees for such debts.

Article 187 When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

Article 188 Where there is a division of the Company, its assets shall be divided accordingly.

Where there is a division of the Company, a balance sheet and property checklist shall be prepared. The Company shall notify the creditors within 10 days from the date of the resolution on division and shall make an announcement in a newspaper at or above the municipal level or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

Article 189 Unless a written agreement has been entered into, before the division, by the Company and its creditors in relation to the repayment of debts, debts of the Company prior to the division shall be jointly and severally assumed by the surviving companies after the division.

Article 190 Where the Company reduces its registered capital, it shall prepare a balance sheet and property checklist.

The Company shall notify the creditors of the resolution to reduce the registered capital within 10 days from the date of the resolution and announce the resolution in a newspaper at or above the municipal level or on the National Enterprise Credit Information Publicity System within 30 days from the date of the resolution. A creditor may, within 30 days as of the receipt of the notice or, in case where he/she fails to receive such notice within 45 days of the date of the announcement, demand the Company to repay its debts or provide guarantees for such debts.

Where the Company reduces its registered capital, the amount of capital contribution or shares shall be reduced correspondingly in proportion to the shares held by its shareholders, unless otherwise provided by the laws or the Articles of Association.

Article 191 If the Company remains in a loss position after making up for its losses in accordance with the second paragraph of Article 163 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for the loss, the Company shall not make any distribution to the shareholders; nor shall the shareholders be exempted from the obligation to make capital injection or payment for the shares.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the second paragraph of Article 190 of the Articles of Association shall not apply, but a notice shall be published in a newspaper at or above the municipal level or on the National Enterprise Credit Information Publicity System within 30 days from the date of the resolution on reduction of registered capital made at the general meeting.

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

Article 192 If the reduction of the registered capital is in violation of the Company Law and other relevant provisions, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the liable directors and senior management personnel shall be liable for compensation.

Article 193 Where an increase in registered capital of the Company is made by means of issue of new shares, the shareholders do not have any pre-emptive right unless otherwise provided in the Articles of Association or the general meeting resolves that the shareholders shall have pre-emptive right.

Article 194 Where the Company undergoes a merger or division, changes in the registered particulars of the Company shall be registered with the company registration authorities in accordance with the laws. Where the Company is dissolved, cancellation of its registration shall be conducted in accordance with the laws. Where a new company is established, its establishment shall be registered in accordance with the laws.

Where the Company increases or reduces its registered capital, the Company shall undergo the registration procedures for the change with the company registration authorities in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 195 The Company shall be dissolved due to the following events:

- (i) expiry of the term of business provided in the Articles of Association or other cause of dissolution as specified therein;
- (ii) a resolution on dissolution is passed by general meeting;
- (iii) dissolution is required due to the merger or division of the Company;
- (iv) the business license of the Company is revoked or the Company is ordered to close down or is deregistered in accordance with the laws;
- (v) the Company suffers significant hardships in operation and management that cannot be resolved through other means, and its continuation may cause substantial loss in shareholders' interests, shareholders representing 10% or above of the total voting rights of the Company may plead the people's court to dissolve the Company.

If the Company is dissolved for the reasons set forth in the preceding paragraph, the Company shall make public announcement for the reasons of dissolution through the National Enterprise Credit Information Publicity System within ten days.

Article 196 In the event that the circumstances described in sub-paragraphs (i) and (ii) of Article 195 of the Articles of Association have occurred and no property has been distributed to the shareholders, the Company may be continued by amending the Articles of Association or by resolution of the general meeting.

Any amendment to the Articles of Association or resolution at a general meeting pursuant to the preceding paragraph shall be subject to the approval of two-thirds or more of the shareholders present and entitled to vote at the general meeting.

Article 197 Where the Company is dissolved pursuant to sub-paragraph (i), (ii), (iv) or (v) of Article 195 of the Articles of Association, it shall be liquidated. The directors shall be the obligors of the Company in liquidation and shall establish a liquidation committee within fifteen days from the date on which the cause for dissolution arises.

The liquidation committee shall comprise directors, except where otherwise provided in the Articles of Association or where the general meeting resolves to appoint other persons.

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

Article 198 The liquidation committee may exercise the following duties and powers during the liquidation period:

- (i) to sort out the Company's assets and prepare a balance sheet and a property checklist respectively;
- (ii) to inform creditors by notice and announcement;
- (iii) to deal with and settle the Company's outstanding business in relation to the liquidation;
- (iv) to pay outstanding taxes, and to pay taxes incurred during the liquidation process;
- (v) to settle claims and debts;
- (vi) to distribute the remaining assets of the Company after repayment of debts;
- (vii) to represent the Company in civil proceedings.

Article 199 From the date of establishment of the liquidation committee, the liquidation committee shall notify the creditors within 10 days and make an announcement in a newspaper at or above the municipal level or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice or within 45 days from the date of the announcement if the notice is not received.

Creditors shall provide explanations and evidence for their claims upon their declarations of such claims. The liquidation committee shall record the creditors' claims.

The liquidation committee shall not pay off any debts to any creditors during the period of credit declaration.

Article 200 After checking the assets of the Company and preparing a balance sheet and property checklist, the liquidation committee shall formulate a liquidation plan for the confirmation by general meeting or the people's court.

The remaining properties of the Company, after the payment for liquidation expenses, wages, social insurance premiums and statutory compensation of staffs, taxes and debts of the Company, shall be distributed to the shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities unrelated to liquidation. The assets of the Company shall not be distributed to the shareholders until the settlement of debts in accordance with the preceding paragraph.

Article 201 If the liquidation committee, after checking the assets of the Company and preparing a balance sheet and property checklist, finds that the assets of the Company are insufficient to pay off its debts, it shall file an application to the people's court.

After the Company is declared bankrupt by the people's court, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Article 202 Upon completion of liquidation of the Company, the liquidation committee shall prepare a liquidation report and submit the report to the general meeting or the people's court for confirmation, and submit the report to the company registration authority to apply for de-registration of the Company and announce the termination of the Company.

Article 203 Members of the liquidation committee perform liquidation duties, and have the duties of loyalty and diligence.

If the members of the liquidation committee fail to perform their liquidation duties promptly and cause losses to the Company, they shall be liable for compensation; the members of the liquidation committee shall be liable for compensation in the event that they cause any loss to creditors due to intentional or serious faults.

Article 204 Where the Company is declared bankruptcy in accordance with law, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

CHAPTER X AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 205 The Company shall amend the Articles of Association in any of the following circumstances:

- (i) after the amendment to the Company Law or the relevant laws, administrative regulations, departmental rules, normative documents or the laws and regulations of the place where the Company's shares are listed and the Hong Kong Listing Rules, any terms contained in the Articles of Association are inconsistent with the aforesaid amendment;
- (ii) if certain changes of the Company occur resulting in inconsistency with certain terms specified in the Articles of Association;
- (iii) the general meeting has resolved to amend the Articles of Association.

Article 206 Where amendments to the Articles of Association approved by resolution of the general meeting shall be subject to the approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved change shall be registered in accordance with the laws.

Article 207 The Board shall amend the Articles of Association in accordance with the resolution of the general meeting on amendment to the Articles of Association and the examination and approval opinions from relevant authorities.

Article 208 Where any amendment to the Articles of Association is required to be disclosed by the laws and regulations, it shall be announced in accordance with the relevant provisions.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 209 Definition

- (i) A “controlling shareholder” refers to a shareholder who holds more than 50% of the total share capital of the Company, or a shareholder who holds less than 50%, but whose voting rights carried by the shares held suffice to have a material influence on the resolutions of the general meeting.
- (ii) A “de facto controller” is a natural person, legal person or other organization that is able to actually dominate the conduct of the Company through investment relations, agreements or other arrangements.
- (iii) The related-party/connected relationship refers to the relationship between the controlling shareholders, de facto controllers, directors, senior management personnel and an enterprise directly or indirectly controlled by them, and any other relationship which may lead to the transfer of the interests of the Company. However, enterprises controlled by the state shall not be deemed to have related-party/connected relationship only because they are under the same control by the state.

Article 210 The Board may, in accordance with the Articles of Association, formulate detailed rules therefor. The detailed rules for the Articles of Association may not be in conflict with the provisions of the Articles of Association.

Article 211 The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association and the articles of association in any other language or of different version, the latest Chinese version of the Articles of Association granted registration with the Shanghai Municipal Administration for Market Regulation shall prevail.

Article 212 The terms “or more”, “within” in the Articles of Association shall include the figure itself; and the terms “over”, “beyond”, “less than” and “more than” shall not include the number itself.

Article 213 Any matters not covered by the Articles of Association shall be dealt with in accordance with the relevant laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company’s shares are listed and the Hong Kong Listing Rules that are effective at that time. In case of any inconsistency between the Articles of Association and the relevant laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company’s shares are listed and the Hong Kong Listing Rules that are effective at that time, the relevant laws, administrative regulations, departmental rules, normative documents, the laws and regulations of the place where the Company’s shares are listed and the Hong Kong Listing Rules shall prevail.

Article 214 The Board of the Company shall be responsible for the interpretation of the Articles of Association.

Article 215 Appendixes to the Articles of Association include the rules of procedure of general meetings and the rules of procedure of the Board.

Article 216 The Articles of Association shall be considered and approved by the general meeting of the Company, and become effective and be implemented from the date on which H Shares issued by the Company, as filed with the CSRC, are listed and traded on the Hong Kong Stock Exchange.

Mabwell (Shanghai) Bioscience Co., Ltd.
April 2026