# Beijing Sinotau International Pharmaceutical Technology Co., Ltd.

# Articles of Association

**(Applicable upon the initial public offering and listing of overseas listed foreign shares (H Shares))**

**CONTENTS**


| | | |
|---|---|---|
| CHAPTER I | GENERAL PROVISIONS | 1 |
| CHAPTER II | OBJECTIVES AND SCOPE OF BUSINESS | 3 |
| CHAPTER III | SHARES | 4 |
| Section 1 | Issuance of Shares | 4 |
| Section 2 | Increase, Reduction and Repurchase of Shares | 8 |
| Section 3 | Transfer of Shares | 10 |
| CHAPTER IV | SHAREHOLDERS AND GENERAL MEETINGS | 13 |
| Section 1 | General Provisions on Shareholders | 13 |
| Section 2 | Controlling Shareholder and De Facto Controller | 19 |
| Section 3 | General Provisions on General Meetings | 21 |
| Section 4 | Convening of General Meetings | 24 |
| Section 5 | Proposals and Notices of General Meetings | 26 |
| Section 6 | Holding of General Meetings | 28 |
| Section 7 | Voting and Resolutions of General Meetings | 33 |
| CHAPTER V | DIRECTORS AND BOARD OF DIRECTORS | 40 |
| Section 1 | General Provisions on Directors | 40 |
| Section 2 | Board of Directors | 45 |
| Section 3 | Independent Non-executive Directors | 52 |
| Section 4 | Special Committees of the Board | 57 |
| CHAPTER VI | SENIOR MANAGEMENT | 60 |
| CHAPTER VII | FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT | 63 |
| Section 1 | Financial and Accounting System | 63 |
| Section 2 | Internal Audit | 65 |
| Section 3 | Appointment of Accounting Firm | 65 |
| CHAPTER VIII | NOTICES AND ANNOUNCEMENTS | 66 |
| Section 1 | Notices | 66 |
| Section 2 | Announcements | 68 |
| CHAPTER IX | MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION | 69 |
| Section 1 | Merger, Division, Capital Increase and Capital Reduction | 69 |
| Section 2 | Dissolution and Liquidation | 71 |
| CHAPTER X | AMENDMENTS TO THE ARTICLES OF ASSOCIATION | 74 |
| CHAPTER XI | SUPPLEMENTARY PROVISIONS | 75 |

# Beijing Sinotau International Pharmaceutical Technology Co., Ltd.

# Articles of Association

## CHAPTER I GENERAL PROVISIONS

**Article 1** 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 Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Guidelines for the Application of Regulatory Rules – Overseas Offering and Listing No. 1, the Guidelines for the Articles of Association of Listed 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**"), the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (hereinafter referred to as the "**Securities and Futures Ordinance**"), the Securities and Futures (Uncertificated Securities Market) Rules (Chapter 571AS of the Laws of Hong Kong) (hereinafter referred to as the "**Uncertificated Securities Market Rules**") and other relevant laws, regulations and provisions, for the purpose of safeguarding the legitimate rights and interests of Beijing Sinotau International Pharmaceutical Technology Co., Ltd. (hereinafter referred to as the "**Company**"), its shareholders and creditors, and regulating the organization and activities of the Company.

**Article 2** The Company is a joint stock limited company established in accordance with the provisions of the Company Law and other national laws, regulations and regulatory documents.

**Article 3** The Company was established by way of promotion and converted as a whole from Beijing Sinotau International Pharmaceutical Technology Co., Ltd. (hereinafter referred to as the "**Limited Company**") into a joint stock limited company; the Company has been registered with and obtained business license from Beijing Economic-Technological Development Area Administration for Market Regulation, with unified social credit code of 9111010677157669X2. On November 25, 2025 the Company completed the filing procedures with the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**") and obtained the approval/permission from The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Stock Exchange**") for the initial public offering of 6,561,000 overseas listed foreign shares (hereinafter referred to as "**H Shares**") to the public. If the over-allotment option of 15% is exercised in full, the total number of H Shares issued will be 7,545,150. The H Shares of the Company were listed on the Hong Kong Stock Exchange on November 24, 2026.

**Article 4** The registered name of the Company

Chinese Name: 北京先通國際醫藥科技股份有限公司

English Name: Beijing Sinotau International Pharmaceutical Technology Co., Ltd.

**Article 5** Registered address of the Company: Floors 1-2, Block 1, No. 5 Tongji Road Central, Beijing Economic-Technological Development Area, Beijing, postal code: 100176.

**Article 6** The registered capital of the Company is RMB65,609,614, which has been fully paid up by the shareholders of the Company.

**Article 7** The business term of the Company is 50 years.

**Article 8** The chairman of the Board of Directors shall be the legal representative of the Company, and shall be elected by the Board of Directors. The chairman shall be deemed to have resigned as the legal representative at the same time as resigning as chairman. If the legal representative resigns, the Company shall determine a new legal representative within 30 days from the date of resignation of the legal representative, and complete the registration for change of the legal representative.

**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.

The restrictions imposed by the Articles of Association or general meeting on the authorities of the legal representative shall not be asserted against bona fide counterparty.

Where the legal representative causes damage to others due to performance of his/her duties, the Company shall assume the resulting civil liability. 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** All assets of the Company shall be divided into shares of equal par value. Shareholders shall be liable to the Company to the extent of the shares subscribed for by them. The Company shall be liable for its debts with all its assets.

**Article 11** From the date on which it becomes effective, the Articles of Association shall constitute a legally binding document that regulates the organization and activities of the Company, as well as the rights and obligations between the Company and shareholders and among the shareholders, and shall be legally binding on the Company, its shareholders, directors and senior management. Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, directors and senior management of the Company, or the Company; the Company may take legal action against its shareholders, directors and senior management.

Disputes among the Company, its shareholders, directors and senior management involving the provisions of the Articles of Association shall be resolved through negotiation first. If negotiation fails, a lawsuit may be filed with the people's court.

**Article 12** The senior management as referred to in the Articles of Association includes general manager, co-president, deputy general manager, secretary to the Board of Directors and chief financial officer.

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

## CHAPTER II OBJECTIVES AND SCOPE OF BUSINESS

**Article 14** Business objectives of the Company: to adopt advanced and scientific operational and management methods, strive to improve its operational and management standards, enable all shareholders to obtain maximum economic benefits, create the best development platform for its employees, provide customers with value-for-money services, and create good benefits for society.

**Article 15** Upon registration in accordance with the laws, the business scope of the Company is: General items: technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; medical research and experimental development; import and export of goods; import and export of technology; import and export agency; sales of chemical products (excluding licensed chemical products). (Except for items subject to approval according to laws, business activities shall be carried out independently with the business license in accordance with the laws) Licensed items: drug production; production of Class II medical devices; production of Class III medical devices; sales of pharmaceutical excipients. (For items subject to approval in accordance with the laws, business activities may only be carried out after approval by relevant departments; specific business items shall be subject to the approval documents or licenses from the relevant departments) (Business activities relating to projects prohibited and restricted by national and municipal industrial policies shall not be carried out).

## CHAPTER III SHARES

### Section 1 Issuance of Shares

**Article 16** The Company's shares are in the form of registered shares. H Shares shall, from the participation date, be issued, held and transferred in uncertificated form in accordance with the Articles of Association and the uncertificated securities market regime, except as otherwise permitted or provided by the Uncertificated Securities Market Rules. The issue (including reissue) of H Share certificates in physical form and other instruments of title shall be subject to this Article and the provisions of the Uncertificated Securities Market Rules. Matters to be stated in physical share certificates lawfully issued by the Company shall, in addition to those prescribed by the Company Law, also include other matters required to be specified by the stock exchange of the place where the Company's shares are listed.

The Company's H Shares shall become participating securities from the participation date (inclusive). All H Shares listed on the participation date (including H Shares converted from unlisted shares) shall be held in uncertificated form and recorded in the H Shares register as held in uncertificated form. For so long as the H Shares remain participating securities and are not in the process of delisting, and save as otherwise permitted or required under the Uncertificated Securities Market Rules, all newly issued H Shares shall be issued in uncertificated form, and the Company shall not issue any share certificate or other title instrument in respect of any H Shares. Where new H Shares are issued in uncertificated form, the Company shall, in accordance with Rule 26 of the Uncertificated Securities Market Rules, ensure that the relevant holder is a system member or temporary system member of the uncertificated securities registration and transfer system operated by the Company's approved securities registrar. The restrictions on the issue of share certificates or other instruments of title shall also apply to any issue, allotment, transfer, transmission, consolidation or subdivision of H Shares registered in the H Shares register on or after the participation date.

H Shares that are participating securities and held in uncertificated form may be rematerialized only where permitted under the Uncertificated Securities Market Rules, including where the H Shares are in the process of delisting or where a waiver granted by the Securities and Futures Commission of Hong Kong permits rematerialization, and subject to the conditions of those Rules and the relevant waiver. Where rematerialization is carried out due to delisting, the Company shall, within the time prescribed by Rule 27 of those Rules, delete from the H Shares register the entry showing that such H Shares are held in uncertificated form, and shall, in accordance with that Rule, issue to the relevant registered shareholder a written confirmation stating that such entry has been deleted and whether share certificates may be obtained and, if so, when and how they may be obtained. After rematerialization in respect of delisting, the Company shall, as soon as reasonably practicable, issue to the relevant registered shareholder, free of charge, the number of share certificates required by those

Rules. Where the relevant registered shareholder is a recognized clearing house or its nominee and so specifies, the Company shall issue share certificates in accordance with the number of certificates and the number of shares represented by each certificate as specified by it. Only one certificate shall be issued in respect of the same shares held jointly. Rematerialization and the issue of share certificates pursuant to a waiver shall be subject to the conditions of the relevant waiver.

**Article 17** The issuance of shares by the Company shall be conducted on the principle of openness, fairness and justness, with each share of the same class bearing equal rights. Shares of the same class shall carry the same rights and obligations regardless of whether they are held in certificated or uncertificated form. The form in which H Shares are held shall not, of itself, affect the class of such shares.

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

**Article 18** The par value of the nominal shares issued by the Company is denominated in RMB, with a par value of RMB1 per share.

**Article 19** The overseas listed foreign shares of the Company listed on the Hong Kong Stock Exchange are referred to as H Shares. Shares issued by the Company but not listed on any domestic or overseas stock exchange shall be referred to as unlisted shares. Upon filing with the securities regulatory authority under the State Council, the unlisted shares of the Company may be converted into overseas listed foreign shares and listed and traded on an overseas stock exchange. The listing and trading on an overseas stock exchange shall also comply with the regulatory procedures, rules and requirements of such overseas stock exchange. The conversion of unlisted shares into overseas listed foreign shares and their listing and trading on an overseas stock exchange shall not require a resolution of the general meeting. Among the shares issued by the Company, unlisted shares shall be centrally registered and deposited with a domestic securities registration and clearing institution. The registration, clearing and other arrangements for overseas listed foreign shares shall be subject to the regulations and practices of the place where the Company's shares are listed. Such shares are primarily deposited in the Central Clearing and Settlement System in Hong Kong, and may also be held by shareholders in their own names.

In respect of the H Shares, the Company shall appoint an approved securities registrar in accordance with the applicable laws and regulations, and shall, for so long as the H Shares are prescribed securities, continuously appoint an approved securities registrar to keep and maintain the H Shares register in Hong Kong. In order for the H Shares to become participating securities, the Company shall, in accordance with the uncertificated securities market regime, appoint an approved securities registrar approved to provide and operate

an uncertificated securities registration and transfer system, complete with it the necessary arrangements for connection to that system, and obtain from it a written confirmation of the system's readiness and of the date on which legal title to H Shares may commence to be evidenced and transferred in uncertificated form. H Shares may be registered and held in the shareholder's own name through that system in accordance with the uncertificated securities market regime and the operating rules of the approved securities registrar.

**Article 20** At the time of the establishment of the Company, all promoters of the Company subscribed for shares of the Company by converting the audited net asset value corresponding to their respective interests in the limited company into shares, and the registered capital was fully paid up at the time of the establishment of the Company. The number of shares issued at the time of the Company's establishment was 20,336,000 shares, all of which were RMB ordinary shares. The names of the promoters of the Company, the number of shares subscribed for, shareholding percentages, methods of capital contribution and timing of capital contribution are as follows:

| No. | Name of promoter | Number of shares held (ten thousand shares) | Shareholding percentage (%) | Method of capital contribution | Timing of capital contribution |
|---|---|---|---|---|---|
| 1 | XU Xinsheng | 1,128.70 | 55.50 | Conversion of net assets into shares | March 24, 2016 |
| 2 | XUE Fei | 193.8 | 9.53 | Conversion of net assets into shares | March 24, 2016 |
| 3 | CHU Wei | 142.8 | 7.02 | Conversion of net assets into shares | March 24, 2016 |
| 4 | TANG Yanmin | 136.8 | 6.73 | Conversion of net assets into shares | March 24, 2016 |
| 5 | ZHANG Yingjie | 122.4 | 6.02 | Conversion of net assets into shares | March 24, 2016 |
| 6 | LIU Shuang | 112.2 | 5.52 | Conversion of net assets into shares | March 24, 2016 |
| 7 | QI Hui | 39.43 | 1.94 | Conversion of net assets into shares | March 24, 2016 |
| 8 | LIU Rui | 30.6 | 1.50 | Conversion of net assets into shares | March 24, 2016 |

| No. | Name of promoter | Number of shares held (ten thousand shares) | Shareholding percentage (%) | Method of capital contribution | Timing of capital contribution |
|---|---|---|---|---|---|
| 9 | MU Tianzhi | 30.4 | 1.49 | Conversion of net assets into shares | March 24, 2016 |
| 10 | ZOU Xianghong | 30.4 | 1.49 | Conversion of net assets into shares | March 24, 2016 |
| 11 | ZHANG Di'ou | 24.32 | 1.20 | Conversion of net assets into shares | March 24, 2016 |
| 12 | WANG Peng | 24 | 1.18 | Conversion of net assets into shares | March 24, 2016 |
| 13 | MAO Ruijuan | 17.75 | 0.87 | Conversion of net assets into shares | March 24, 2016 |
| **Total** | | **2,033.60** | **100.00** | **–** | **–** |

**Article 21** The total number of shares of the Company is 65,609,614 shares, all of which are RMB ordinary shares, and there are no other classes of shares.

Upon completion of the filing with the CSRC by the Company, a total of 34,466,214 domestic unlisted shares of the Company held by 95 shareholders will be converted into overseas listed foreign shares.

Upon completion of the initial public offering and listing of overseas listed foreign shares, assuming the over-allotment option is not exercised, the share capital structure of the Company will be: 65,609,614 ordinary shares, of which 24,582,400 are domestic unlisted shares, representing 37.47% of the total number of ordinary shares of the Company; and 41,027,214 are overseas listed foreign shares, representing 62.53% of the total number of ordinary shares of the Company. If the over-allotment option is exercised in full, the share capital structure of the Company will be: 66,593,764 ordinary shares, of which 24,582,400 are domestic unlisted shares, representing 36.91% of the total number of ordinary shares of the Company; and 42,011,364 are overseas listed foreign shares, representing 63.09% of the total number of ordinary shares of the Company.

**Article 22** The Company or its subsidiaries (including affiliated enterprises of the Company) shall not provide financial assistance in the form of gifts, advances, guarantees, compensation or loans for others to acquire shares of the Company or its parent company, except where the Company implements an employee stock ownership plan.

For the benefit of the Company, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, and pursuant to a resolution of the general meeting, or a resolution of the Board of Directors in accordance with the authorization under the Articles of Association or by the general meeting, the Company may provide financial assistance for the acquisition of shares in the Company or its parent company by any other person, provided that the cumulative total amount of such financial assistance shall not exceed ten percent of the total issued share capital. Such a resolution of the Board of Directors shall be passed by two-thirds or more of all directors.

In the event of a violation of the provisions of the preceding two paragraphs causing losses to the Company, the directors and senior management responsible shall be liable for compensation.

## Section 2 Increase, Reduction and Repurchase of Shares

**Article 23** The Company may, based on its needs for operation and development and in accordance with the laws, regulations, departmental rules, regulatory documents, the Hong Kong Listing Rules, securities regulatory rules at the place where the Company's shares are listed and requirements of the regulatory authorities, increase its capital in the following ways subject to separate resolutions of the general meeting:

(1) issuing shares to unspecified investors;

(2) issuing shares to specific investors;

(3) distributing bonus shares to existing shareholders;

(4) converting reserve funds into share capital;

(5) other methods stipulated by laws and administrative regulations, permitted under the Hong Kong Listing Rules or approved by the CSRC or the securities regulatory authorities in the place where the Company's shares are listed.

**Article 24** The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the relevant provisions of the Company Law, the Hong Kong Listing Rules and other applicable laws, administrative regulations, departmental rules, regulatory documents and the procedures stipulated in the Articles of Association.

**Article 25** The Company shall not acquire its own shares. However, the foregoing shall not apply in any of the following circumstances:

(1) reducing the Company's registered capital;

(2) merging with another company that holds shares in the Company;

(3) granting shares as incentive to the staff of the Company;

(4) acquiring shares from shareholders who object to a resolution on the merger or division of the Company adopted at a general meeting and request the Company to acquire their shares;

(5) utilizing the shares for the conversion of convertible corporate bonds issued by the Company;

(6) where it is necessary for the Company to safeguard its value and the rights and interests of its shareholders;

(7) other circumstances permitted by laws, regulations, departmental rules, the Hong Kong Listing Rules, the regulatory rules of the place where the Company's shares are listed, and as permitted by the relevant regulatory authorities.

**Article 26** The Company may acquire its own shares through public centralized trading, or through other means recognized by laws, administrative regulations, the Hong Kong Listing Rules, and the securities regulatory authorities in the place where the Company's shares are listed.

Where the Company acquires its own shares in the circumstances set out in items (3), (5) and (6) of the first paragraph of Article 25 of the Articles of Association, it shall do so through public and centralized trading, subject to compliance with the requirements of the applicable securities regulatory rules and guidelines of the place where the Company's shares are listed.

**Article 27** The acquisition by the Company of its own shares on the grounds set out in item (1) and item (2) of the first paragraph of Article 25 of the Articles of Association shall be approved by way of a resolution of the general meeting; in the event of acquisitions of the Company's shares under the circumstances stipulated in items (3), (5), and (6) of Article 25 of the Articles of Association, the Company may, in accordance with the provisions of the Articles of Association or the authorization of the general meeting, and subject to the applicable securities regulatory rules of the place where the Company's shares are listed, pass

a resolution at the meetings of the Board with two-thirds or more of the Directors attending. After acquiring shares in the Company, the Company shall fulfill its obligations of disclosure of information in accordance with relevant laws and regulations, the Hong Kong Listing Rules and the relevant regulations of the CSRC and the Hong Kong Stock Exchange.

Subject to compliance with the applicable securities regulatory rules of the place where the Company's shares are listed, after the Company purchases its own shares in accordance with the provisions of the first paragraph of Article 25 of the Articles of Association, under the circumstance set out in item (1), such shares shall be cancelled within ten (10) days from the date of acquisition; under the circumstances set out in items (2) and (4), such shares shall be transferred or cancelled within six (6) months; under the circumstances in items (3), (5), or (6), the total shares held by the Company shall not exceed 10% of the total number of the shares issued by the Company and shall be transferred or cancelled within three (3) years.

Notwithstanding the foregoing, if the applicable laws and regulations, other provisions of the Articles of Association, and the laws or securities regulatory rules of the place where the Company's shares are listed provide otherwise in respect of the aforementioned matters relating to the repurchase of the Company's shares, the Company shall comply with such provisions. The repurchase of overseas listed foreign shares of the Company shall comply with the Hong Kong Listing Rules and other relevant laws, regulations and regulatory requirements of the place where the Company's overseas listed foreign shares are listed.

## Section 3 Transfer of Shares

**Article 28** The Company's shares may be transferred in accordance with the laws.

Transfer of H Shares shall be registered in Hong Kong by the approved securities registrar appointed by the Company. The number of shareholders of the Company after the transfer shall comply with the relevant requirements of laws and regulations.

Where the relevant laws and regulations of the place where the Company's shares are listed prescribe a period during which registration of share transfers shall be suspended before the record date for convening a general meeting or for the Company's determination of dividend distributions, such provisions shall prevail. For so long as the H Shares are participating securities, any suspension of registration of transfers of such H Shares and closure of the relevant register of holders of H Shares shall comply with Article 32 of the Articles of Association and the provisions of the Uncertificated Securities Market Rules.

Where a transfer of H Shares is effected by an instrument of transfer in accordance with laws, the instrument of transfer shall be in writing in a general or common format or any other format accepted by the Board of Directors or in any other form permitted by laws, regulations or the securities regulatory rules of the place where the Company's shares are listed (including

the standard transfer format 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 in the relevant ordinances of Hong Kong in effect from time to time (hereinafter referred to as the "**Recognized Clearing House**") or its nominee, the written instrument of transfer may be signed by hand or in mechanically printed form. The instrument of transfer shall be signed by the transferor and the transferee or their respective authorized representatives and shall, where applicable, comply with Rule 12 of the Uncertificated Securities Market Rules. All instruments of transfer must be kept at the registered office of the Company or such other place as the Board of Directors may from time to time designate.

For so long as the H Shares are prescribed securities and are not in the process of delisting, unless otherwise permitted or provided by the Uncertificated Securities Market Rules, H Shares held by a transferor in uncertificated form shall be transferred by the transferor and the transferee by submitting a specified request in accordance with those Rules and the operating rules of the Company's approved securities registrar. The Company may, subject to the conditions of Rule 13(3) of those Rules, permit written instructions to replace the corresponding authenticated message in a specified request. H Shares held in uncertificated form may be transferred by an instrument of transfer in accordance with those Rules only where all reasonable efforts have been made to procure the use of a specified request and the Board is satisfied that transfer by specified request is not reasonably practicable.

A person who becomes entitled to H Shares by any other transmission by operation of laws may, if such person elects to transfer the relevant H Shares to another person, execute an instrument of transfer or send a specified request in the manner permitted under this Article. The restrictions and requirements relating to transfers and the registration of transfers set out in the Articles of Association and applicable laws and regulations shall apply equally to such transfers. Any matter relating to the issue of share certificates in connection with any such transfer or transmission shall be subject to Article 16 of the Articles of Association.

To the extent the Uncertificated Securities Market Rules apply, the Company or the Board may refuse to register a transfer where the relevant specified request does not comply with those Rules or the operating rules of the Company's approved securities registrar, where H Shares held in uncertificated form are transferred by an instrument of transfer without complying with the exception conditions set out in this Article, where the applicable transfer registration fee payable under this Article has not been paid, or where any other ground for refusal provided in those Rules or other applicable laws and regulations exists. Where the Company or the Board refuses to register a transfer, it shall, within the applicable period prescribed by the Code of Conduct for Approved Securities Registrars, send a notice of refusal to the transferor and the transferee and provide the reasons for refusal in accordance with the applicable requirements.

In respect of H Shares that are prescribed securities, regardless of whether they have become participating securities, the Company's approved securities registrar may charge reasonable fees for registering any instrument of transfer, specified request or other document relating to or affecting the ownership of H Shares, provided that such fees shall not exceed the applicable limit prescribed by the Code of Conduct for Approved Securities Registrars.

For so long as the H Shares remain participating securities and are not in the process of delisting, and save as otherwise permitted or required under the Uncertificated Securities Market Rules, if the transferor or transferee of the relevant H Shares, or the person entitled to the relevant H Shares by transmission (as the case may be), is not a system member of the uncertificated securities registration and transfer system operated by the approved securities registrar appointed by the Company, the Board may also refuse to register a transfer or transmission of the relevant H Shares.

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

**Article 30** Shares of the Company issued prior to the public issuance of shares may not be transferred within one (1) year from the date on which the Company's shares are listed and traded on a stock exchange. Where laws, administrative regulations or the securities regulatory authority of the State Council have other provisions on the transfer of shares held by shareholders or de facto controllers of listed companies, such provisions shall prevail.

The Company's directors and senior management shall declare to the Company the shares of the Company held by them and any changes thereof. During their term of office as determined upon their assumption of office, the shares transferred annually shall not exceed 25% of the total number of the Company's shares held by them, except for changes in shareholding due to judicial enforcement, inheritance, bequest, division of property according to the laws, etc. Shares held in the Company may not be transferred within one (1) year from the date on which the Company's shares are listed and traded. The above-mentioned persons may not transfer their shares in the Company within half a year after leaving their posts.

Where a share is pledged within the term of restriction on transfer specified by laws and administrative regulations, the pledgee may not exercise the pledge right within the term of restriction on transfer.

Where the relevant provisions of the securities regulatory authorities of the place where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer of overseas listed foreign shares, such provisions shall prevail.

**Article 31** If a shareholder holding 5% or more of the Company's shares, a director, or senior management personnel sells his/her shares of the Company or other securities of an equity nature within six (6) months after purchase, or buys them again within six (6) months after sale, the proceeds therefrom shall belong to the Company, and the Board of Directors of the Company shall recover the proceeds therefrom. However, a securities company which holds 5% or more of the shares as a result of its underwriting of the unsubscribed shares, and other circumstances stipulated by the CSRC are excluded. If the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed or the relevant regulatory authorities otherwise provide for restrictions on the transfer of H Shares, such provisions shall prevail.

The shares or other securities of equity nature held by the directors, senior management personnel, and natural person shareholders referred to in the preceding paragraph shall include the shares or other securities of equity nature held by their spouses, parents, children and held through others' accounts.

If the Board of Directors of the Company fails to comply with the provisions of the first paragraph of this Article, shareholders shall be entitled to demand that the Board of Directors do so within thirty (30) days. If the Board of Directors of the Company fails to act within the aforesaid period, shareholders shall have the right, in the interests of the Company, to directly file litigation in a court in their own names.

If the Board of Directors of the Company fails to comply with the provisions of the first paragraph of this Article, the responsible director(s) shall bear joint and several liability in accordance with the laws.

## CHAPTER IV SHAREHOLDERS AND GENERAL MEETINGS

### Section 1 General Provisions on Shareholders

**Article 32** The Company establishes and maintains a register of members, which is sufficient evidence that a shareholder holds shares in the Company, based on the credentials provided by the securities registration authority or the approved securities registrar and in accordance with laws, regulations and regulatory documents, the Hong Kong Listing Rules, etc. The original H Shares register shall be kept in Hong Kong, and the Company shall keep a copy of the H Shares register at the Company's domicile. The entrusted overseas agents shall ensure the consistency of the original and copy H Shares registers at all times. The H Shares register kept in Hong Kong shall be available for inspection by persons entitled thereto in accordance with the applicable laws and regulations and the Hong Kong Listing Rules. The Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the provisions of the securities regulatory rules of the place where the Company's shares are listed.

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

For so long as the H Shares are prescribed securities, the Company shall maintain and update the H Shares register in accordance with the Uncertificated Securities Market Rules and record the particulars required under those Rules. H Shares listed on the participation date and H Shares subsequently issued in uncertificated form shall be recorded in the H Shares register as held in uncertificated form, and such record shall not be amended or deleted except as permitted under those Rules. Entries in the H Shares register shall have the evidential value and other effects prescribed by the Uncertificated Securities Market Rules. An entry in the H Shares register indicating that a holder's H Shares are held in uncertificated form shall be, in the absence of evidence to the contrary, proof of that holder's title to those H Shares. Where there is any change to the entry relating to a holder of H Shares, the Company shall notify the relevant holder in accordance with those Rules and the Code of Conduct for Approved Securities Registrars. Where there is any change to the information of a registered shareholder holding H Shares in uncertificated form or to the relevant entry relating to such shareholder's uncertificated holding, the Company shall issue a written confirmation to such shareholder in accordance with Rule 6 of those Rules.

For so long as the H Shares are prescribed securities, an existing or former registered H shareholder may, in accordance with Rules 7 and 8 of the Uncertificated Securities Market Rules, inspect and copy the entries in the H Shares register relating to that shareholder, or request a copy of the relevant entries. Other persons entitled thereto may, in accordance with the applicable laws and regulations and the Hong Kong Listing Rules, exercise the corresponding rights. No condition imposed by the Articles of Association on the inspection, copying or obtaining of the Company's books and records shall restrict or exclude the relevant rights conferred by those Rules.

For so long as the H Shares are participating securities, save where a waiver is granted by the Securities and Futures Commission of Hong Kong, the H Shares register shall not be closed for more than two (2) consecutive business days on any occasion; where the H Shares are suspended from trading for a longer period, the register may be closed for such longer period. Any such closure shall comply with the Uncertificated Securities Market Rules. "Business day" in this paragraph shall have the meaning ascribed to it in those Rules.

**Article 33** When the Company convenes a general meeting, distributes dividends, enters into liquidation or carries out other activities for which it is necessary to ascertain the identity of shareholders, the Board of Directors or the convener of the general meeting shall determine a equity registration date. Shareholders whose names appear on the register of members at the close of business on such date shall be the shareholders entitled to the relevant rights and interests. The record date and the relevant record closing date shall be announced ten business days in advance.

**Article 34** The shareholders of the Company shall have the following rights:

(1) to receive dividends and other forms of benefit distributions in proportion to their shareholdings;

(2) to request, convene, preside over, attend or appoint a proxy to attend general meetings and to exercise corresponding voting rights in accordance with the laws;

(3) to supervise the operation of the Company, and to make suggestions or inquiries;

(4) to transfer, gift or pledge the shares they hold in accordance with the laws and administrative regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the relevant provisions of the relevant regulatory authorities and the Articles of Association;

(5) to inspect and copy the Articles of Association, the register of members, minutes of the general meetings, resolutions of Board meetings, and financial and accounting reports in accordance with the provisions of the Company Law and the Securities Law and other laws and administrative regulations; a shareholder who individually or collectively holds 3% or more of the shares of the Company for one hundred and eighty (180) consecutive days or more may inspect the accounting books and accounting vouchers of the Company. If the Company has reasonable grounds to believe that the shareholder has an improper purpose in inspecting the accounting books and accounting vouchers, which may damage the legitimate interests of the Company, it may refuse to provide such inspection and shall provide a written reply to the shareholder stating the reasons;

(6) in the event of termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to their shareholdings;

(7) to inspect the Hong Kong branch register of holders of H Shares of the Company, provided that the Company may suspend the registration of shareholders on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). For so long as the H Shares are participating securities, any closing of the register and any suspension of registration shall be subject to Article 32 of the Articles of Association and the provisions of the Uncertificated Securities Market Rules;

(8) in the case of a shareholder objecting to a resolution passed at the general meeting on the merger or division of the Company, to require the Company to acquire his/her/its shares;

(9) other rights as prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the relevant provisions of the securities regulatory authorities and stock exchanges in the place where the Company's securities are listed, or the Articles of Association.

**Article 35** Any shareholder requesting to inspect or copy the relevant information mentioned in the preceding Article or to obtain materials shall provide the Company with a written document evidencing the class and number of shares of the Company he/she holds, and the Company shall comply with such shareholder's request upon verification of the shareholder's identity.

In respect of H Shares, the Company may verify the relevant identity and shareholding by reference to the register of holders of H Shares and electronic records provided by the approved securities registrar, and by other means permitted by applicable laws and regulations, and shall not refuse any person the exercise of rights in accordance with laws solely on the ground that such person has failed to produce a physical share certificate. A request lawfully made under the Uncertificated Securities Market Rules to inspect, copy or obtain entries in the H Shares register shall be dealt with in accordance with those Rules and shall not be refused on the ground that the requesting person no longer holds H Shares or has failed to provide a physical share certificate, provided that the Company may still verify, in accordance with those Rules, the identity of the requesting person and such person's right to obtain the relevant materials.

**Article 36** If the content of a resolution of the general meeting or the Board of Directors violates laws or administrative regulations, shareholders shall have the right to request a people's court to declare it invalid.

If the convening procedures or voting methods of a general meeting or a Board meeting violate laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders shall have the right to request a people's court to revoke it within sixty (60) days from the date on which the resolution is made. However, this shall not apply where there are only minor procedural defects in the convening of or the voting method at the general meeting or the Board meeting, and such defects have no material impact on the resolutions.

A shareholder who was not notified to attend a general meeting may, within sixty (60) days from the date on which such shareholder knew or ought to have known of the resolution of the general meeting, request a people's court to revoke it; if the right of revocation is not exercised within one (1) year from the date on which the resolution is made, the right of revocation shall be extinguished.

Where the Board of Directors, shareholders or other relevant parties have any dispute over the validity of a resolution of the general meeting, they shall promptly file a lawsuit in a people's court. Before a people's court makes a judgment or ruling, such as the revocation of a resolution, the relevant parties shall implement the resolution of the general meeting. The Company, directors and senior management shall earnestly fulfill their duties to ensure the normal operation of the Company.

Where a people's court makes a judgment or ruling on relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the provisions of laws, administrative regulations, the CSRC and the stock exchange, fully explain the impact, and actively cooperate with enforcement after the judgment or ruling becomes effective. If corrections to prior matters are involved, they shall be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.

**Article 37** A resolution of the general meeting or the Board of Directors shall not be formed under any of the following circumstances:

(1) a resolution is made without a general meeting or a Board meeting having been held;

(2) the general meeting or the Board meeting fails to vote on the matter for resolution;

(3) the number of persons attending the meeting or the number of voting rights held by them fails to reach the number of persons or the number of voting rights required by the Company Law or the Articles of Association;

(4) the number of persons consenting to the matter for resolution or the number of voting rights held by them fails to reach the number of persons or the number of voting rights required by the Company Law or the Articles of Association.

**Article 38** Where any director (other than members of the Audit Committee) or senior management violates the provisions of laws, administrative regulations or the Articles of Association in the performance of his/her duties and causes losses to the Company, any shareholder(s) holding, individually or jointly, 1% or more of the Company's shares for one hundred and eighty (180) consecutive days or more shall have the right to request the Audit Committee in writing to initiate legal proceedings in a people's court; where a member of the Audit Committee violates the provisions of laws, administrative regulations or the Articles of Association in the performance of his/her duties and causes losses to the Company, the aforementioned shareholder(s) may request the Board of Directors in writing to initiate legal proceedings in a people's court.

Where the Audit Committee or the Board of Directors refuses to initiate legal proceedings upon receipt of the written request of the shareholder(s) as stipulated in the preceding paragraph, or fails to initiate legal proceedings within thirty (30) days from receiving the request, or in an emergency where failure to immediately initiate legal proceedings would result in irreparable damage to the interests of the Company, the shareholder(s) as prescribed in the preceding paragraph shall, for the benefit of the Company and in his/her/their own name(s), have the right to directly initiate legal proceedings in a people's court.

Where a third party infringes upon the lawful rights and interests of the Company and causes losses to the Company, the shareholders as prescribed in the first paragraph of this Article may initiate legal proceedings in a people's court in accordance with the provisions of the two preceding paragraphs.

If directors, supervisors, or senior management of the Company's wholly-owned subsidiaries violate laws, administrative regulations or the provisions of the Articles of Association in the performance of their duties, causing losses to the Company, or if a third party infringes upon the legitimate rights and interests of the Company's wholly-owned subsidiaries, causing losses, shareholders who individually or collectively hold 1% or more of the Company's shares for one hundred and eighty (180) consecutive days or more may, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, make a written request to the supervisory committee or the board of directors of such wholly-owned subsidiaries to file a lawsuit with a people's court, or directly file a lawsuit with a people's court in their own names.

Where a wholly-owned subsidiary does not have a supervisory committee or supervisors but has an audit committee, the provisions of the first and second paragraphs of this Article shall apply.

**Article 39** Shareholders may institute proceedings in a people's court if a director or senior management has violated laws, administrative regulations or the Articles of Association and infringed upon the interests of shareholders.

**Article 40** The shareholders of the Company shall assume the following obligations:

(1) to abide by the laws, administrative regulations and the Articles of Association;

(2) to pay subscription monies in accordance with the shares subscribed for and the method of subscription;

(3) not to withdraw their share capital except under circumstances stipulated by laws and regulations;

(4) not to abuse shareholders' rights to harm the interests of the Company or other shareholders; not to abuse the Company's status as an independent legal person and the limited liability of shareholders to harm the interests of the Company's creditors;

(5) to assume other obligations imposed by laws, administrative regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, the relevant regulatory authorities, and the Articles of Association.

Where a shareholder of the Company uses two or more companies under its control to commit the acts stipulated in the preceding paragraph, such companies shall bear joint and several liability for the debts of any of such companies.

**Article 41** Any shareholder who abuses his/her rights as a shareholder and causes any loss to the Company or any other shareholder shall be liable for indemnification of such loss according to laws. If shareholders of the Company abuse the independent status of the Company as a legal person and the limited liability of the shareholders, evade debts and seriously damage the interests of the creditors of the Company, they shall be jointly and severally liable for the Company's debts.

## Section 2 Controlling Shareholder and De Facto Controller

**Article 42** The controlling shareholder and de facto controller of the Company shall exercise their rights and perform their obligations in accordance with the laws, administrative regulations, the provisions of the CSRC, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the provisions of the relevant regulatory authorities, so as to safeguard the interests of the listed company.

**Article 43** The controlling shareholder and de facto controller of the Company shall comply with the following provisions:

(1) to exercise their shareholders' rights in accordance with the laws, and not to abuse their control or utilize connected relationships to damage the legitimate rights and interests of the Company or other shareholders;

(2) to strictly fulfill their public statements and undertakings made by them, and not to unilaterally modify or waive them without authorization;

(3) to strictly perform information disclosure obligations in accordance with relevant regulations, proactively cooperate with the Company in its information disclosure work, and promptly inform the Company of material events that have occurred or are proposed to occur;

(4) not to occupy the funds of the Company in any manner;

(5) not to force, direct or require the Company and its relevant personnel to provide guarantees in violation of laws and regulations;

(6) not to utilize the undisclosed material information of the Company to seek benefits, not to leak the undisclosed material information related to the Company in any manner, and not to engage in illegal and non-compliant acts such as insider trading, short-swing trading, and market manipulation;

(7) not to damage the legitimate rights and interests of the Company and other shareholders by other means such as unfair connected transactions, profit distribution, asset restructuring, and external investment;

(8) to ensure the integrity of the Company's assets, and the independence of its personnel, finance, organizational structure and business, and not to affect the independence of the Company in any manner;

(9) other provisions of laws, administrative regulations, the provisions of the CSRC, relevant business rules of the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, the provisions of relevant regulatory authorities, and the Articles of Association.

Where a controlling shareholder or de facto controller of the Company does not serve as a director of the Company but actually executes the corporate affairs of the Company, the provisions of the Articles of Association regarding the duty of loyalty and duty of diligence of directors shall apply to such person.

Where a controlling shareholder or de facto controller of the Company instructs a director or senior management to engage in acts that damage the interests of the Company or its shareholders, it/he/she shall bear joint and several liability together with such director or senior management.

**Article 44** Where a controlling shareholder or de facto controller pledges the shares of the Company that it/he/she holds or effectively controls, it/he/she shall maintain the stability of the Company's control and its production and operation.

**Article 45** Where a controlling shareholder or de facto controller transfers the shares of the Company held by it/him/her, it/he/she shall comply with the restrictive provisions on the transfer of shares set out in laws, administrative regulations, the rules of the CSRC, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the requirements of relevant regulatory authorities, as well as its/his/her undertakings in respect of restrictions on the transfer of shares.

## Section 3 General Provisions on General Meetings

**Article 46** The general meeting of the Company is composed of all shareholders. The general meeting serves as the Company's organ of authority and exercises the following functions and powers in accordance with the laws:

(1) to elect and replace directors who are not employee representatives, and make decisions on remuneration matters for directors;

(2) to consider and approve the reports of the Board of Directors;

(3) to consider and approve the Company's profit distribution proposals and loss-making recovery plans;

(4) to make resolutions on the increase or reduction of the Company's registered capital;

(5) to make resolutions on the issuance of corporate bonds;

(6) to make resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;

(7) to amend the Articles of Association;

(8) to make resolution on the appointment and dismissal of the accounting firm engaged by the Company to perform audit services;

(9) to consider and approve transactions that, according to the Articles of Association and the rules of procedure for the general meeting, should be decided by the general meeting, and to consider and approve matters related to guarantees as stipulated in Article 47 of the Articles of Association;

(10) to consider the Company's purchase and sale of material assets within one year exceeding 30% of the Company's latest audited total assets;

(11) to consider and approve matters relating to the change in the use of proceeds;

(12) to consider equity incentive plans and employee share ownership plans;

(13) to consider transactions (including one-off transactions and a series of transactions requiring aggregation for the calculation of percentage ratios) for which any of the applicable percentage ratios calculated by the Company in accordance with the provisions of Rule 14.07 of the Hong Kong Listing Rules is twenty-five percent (25%) or more (excluding any transactions that are exempt from approval by a general meeting under the Hong Kong Listing Rules or with the approval of the Hong Kong Stock Exchange) or any connected transaction where any of the applicable percentage ratios is five percent (5%) or more (including one-off transactions and a series of transactions which require the aggregation of percentage ratios but excluding any connected transactions that are exempt from disclosure or public announcement under the Hong Kong Listing Rules or with the approval of the Hong Kong Stock Exchange);

(14) to consider other matters required to be decided by the general meeting pursuant to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and relevant regulatory authorities or the Articles of Association.

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

**Article 47** The following external guarantees of the Company are required to be considered and approved at the general meeting:

(1) any guarantee provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;

(2) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;

(3) any guarantee where the amount guaranteed by the Company to others within one year exceeds 30% of the Company's latest audited total assets;

(4) any guarantee provided to a guaranteed party whose asset-liability ratio exceeds 70%;

(5) any single guarantee whose amount exceeds 10% of the Company's latest audited net assets;

(6) any guarantee provided to shareholders, de facto controllers and their related parties;

(7) other guarantees requiring approval by the general meeting as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the relevant regulatory authorities or the Articles of Association.

The Board of Directors shall have the authority to consider and approve external guarantee matters other than those required to be considered by the general meeting as set out in the preceding paragraph.

**Article 48** The general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be held once (1) a year, within six (6) months after the end of the previous financial year.

**Article 49** The Company shall convene an extraordinary general meeting within two (2) months from the date the occurrence of any of the following circumstances:

(1) when the number of directors is less than the number required by the Company Law or two-thirds of the number of directors specified in the Articles of Association;

(2) where the unrecovered losses of the Company amount to one-third of its total share capital;

(3) upon request by shareholders who individually or collectively hold 10% or more of the Company's shares;

(4) when deemed necessary by the Board of Directors;

(5) when proposed by the Audit Committee to convene such a meeting;

(6) in other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the relevant regulatory authorities, or the Articles of Association.

The number of shares held by the shareholders mentioned in item (3) above shall be calculated based on the number of shares of the Company held on the date when they submit the written request.

**Article 50** The venue for general meetings of the Company shall be the Company's domicile or another venue specified in the notice of the meeting.

A general meeting shall have a physical venue and be convened as a physical meeting. In accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, the Company shall also provide means such as the internet, video or telephone to facilitate shareholders' attendance and voting at the general meeting. Shareholders who participate in a general meeting through the above means shall be deemed to be in attendance.

If shareholders participate in a general meeting remotely via the internet, video, telephone or other means, they shall complete registration and identity verification in advance in accordance with the requirements of the notice of the general meeting, send their personal information to the Company, and use the internet link and password provided by the Company to participate in the general meeting. Without affecting the normal convening of the general meeting, the Board of Directors and the chairman shall arrange for shareholders attending the general meeting remotely to speak and ask questions during the meeting. Without violating applicable laws, administrative regulations, departmental rules, normative documents and the Hong Kong Listing Rules, the Company shall also provide an online voting method to facilitate shareholders' attendance at the general meeting.

After the notice of a general meeting has been issued, the venue of the physical meeting shall not be changed without a valid reason.

## Section 4 Convening of General Meetings

**Article 51** The Board of Directors shall convene the general meeting in a timely manner within the prescribed time limit.

Independent non-executive Directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, provided that such a proposal is agreed to by a majority of all independent non-executive Directors. In response to a proposal by an independent non-executive Director to convene an extraordinary general meeting, the Board of Directors shall, in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide written feedback on whether it agrees or disagrees to convene an extraordinary general meeting within ten (10) days of receipt of the proposal. If the Board agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five (5) days after the resolutions of the Board are made; if the Board does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

**Article 52** The Audit Committee may propose to the Board to convene an extraordinary general meeting, and such proposal shall be made in writing. The Board shall provide written feedback on whether it agrees or disagrees to convene an extraordinary general meeting within ten (10) days upon receipt of the motions in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

If the Board agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five (5) days after the resolutions of the Board are made. Any changes to the original proposal in the notice must obtain the consent of the Audit Committee.

If the Board does not agree to convene an extraordinary general meeting, or fails to reply within ten (10) days upon receipt of the motions, the Board shall be deemed to be unable, or to fail, to perform its duties to convene a general meeting, and the Audit Committee may convene and preside over the general meeting.

**Article 53** Shareholders individually or collectively holding 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall submit the request to the Board of Directors in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the security regulatory rules of the place where the Company's shares are listed, and the Articles of Association, provide written feedback on whether it agrees or disagrees with convening an extraordinary general meeting within ten (10) days after receiving the request.

If the Board agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five (5) days after the resolutions of the Board are made. Any changes to the original proposal in the notice must obtain the consent of the relevant shareholders.

If the Board does not agree to convene the extraordinary general meeting, or fails to provide feedback within ten (10) days after receiving the request, shareholders individually or collectively holding 10% or more of the Company's shares may propose to the Audit Committee to convene an extraordinary general meeting and shall submit a written request to the Audit Committee. Where otherwise stipulated by laws, administrative regulations, departmental rules, or the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within five (5) days after receiving the request. Any changes to the original proposal in the notice must obtain the consent of the relevant shareholders.

If the Audit Committee fails to issue a notice of a general meeting within the prescribed time limit, it shall be deemed that the Audit Committee has not convened and presided over a general meeting. Shareholders who individually or collectively hold 10% or more of the Company's shares for ninety (90) consecutive days or more may convene and preside over the meeting on their own.

**Article 54** The Audit Committee or shareholders deciding to convene a general meeting on their own must notify the Board of Directors in writing. At the same time, they shall file with the stock exchange(s) where the Company's shares are listed in accordance with applicable regulations. Before the announcement of the resolutions of the general meeting, the convening shareholders' shareholding percentage shall not be less than 10%.

**Article 55** For a general meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the secretary to the Board of Directors shall provide cooperation. The Board of Directors shall provide the register of members as of the equity registration date. The register of members obtained by the convener shall not be used for any purpose other than convening the general meeting.

**Article 56** The necessary expenses for a general meeting convened by the Audit Committee or shareholders on their own shall be borne by the Company.

### Section 5 Proposals and Notices of General Meetings

**Article 57** The contents of the proposals for the general meeting shall fall into the scope of functions and powers of the general meeting with definite topics of discussion and specific resolutions, and comply with the relevant provisions of laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.

**Article 58** When the Company convenes a general meeting, the Board of Directors, the Audit Committee, and shareholders holding, individually or jointly, 1% or more of the Company's shares shall be entitled to submit proposals to the Company.

Shareholders who, individually or jointly, hold 1% or more of the Company's shares may submit an interim proposal in writing to the convener ten (10) days before the general meeting. An interim proposal shall have a clear topic and specific matters for resolution. The convener shall, within two (2) days of receiving the proposal, issue a supplementary notice of the general meeting, announce the content of the interim proposal, and submit the interim proposal to the general meeting for consideration. However, this shall not apply where the interim proposal violates the provisions of laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, or does not fall within the scope of the functions and powers of the general meeting. The Company shall not raise the shareholding percentage required for shareholders to put forward an interim proposal.

Save for the circumstances specified in the preceding paragraph, the convener shall not amend the proposals listed in the notice of the general meeting or add new proposals after issuing the notice.

Any proposal not set out in the notice of the general meeting or not in compliance with the provisions of the Articles of Association shall not be voted upon or resolved at the meeting.

**Article 59** The convener shall give notice to each shareholder by public announcement twenty (20) days prior to the annual general meeting and fifteen (15) days prior to the extraordinary general meeting.

For the purpose of calculating the aforementioned period by the Company, such period shall be exclusive of the date of the meeting, but inclusive of the date of issuing the notice.

**Article 60** The notice of a general meeting shall include the following:

(1) the time, venue, and duration of the meeting;

(2) the matters and proposals submitted to the meeting for consideration;

(3) a conspicuous statement indicating that: all shareholders are entitled to attend the general meeting, and may appoint a proxy to attend and vote at the meeting by written form (including an authenticated message used by an H shareholder in accordance with Article 65 of the Articles of Association), and that such proxy need not be a shareholder of the Company. The notice shall also state the limit on the number of proxies prescribed by Article 64 of the Articles of Association;

(4) the record date for determining the shareholders entitled to attend the general meeting;

(5) the name and telephone number of the designated contact person for meeting affairs;

(6) the voting time and voting procedures via the internet or other means (if any);

(7) other requirements as stipulated by laws, regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, etc.

The notice and supplementary notice of the general meeting shall fully and completely disclose all specific details of all proposals.

**Article 61** If the election of directors is to be discussed at a general meeting, the notice of the meeting shall fully disclose the detailed information of the director candidates, including at least the following:

(1) personal details, including educational background, work experience, and concurrent positions;

(2) whether there is any related relationship with the Company or its controlling shareholders and de facto controllers;

(3) disclosure of the number of shares of the Company held;

(4) whether the candidate has been subject to penalties by the securities regulatory authorities of China and other relevant departments or disciplinary actions by a stock exchange;

(5) information required to be disclosed under the Hong Kong Listing Rules regarding the new appointment, re-election or re-designation of a director.

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

**Article 62** After a notice of a general meeting is issued, the meeting shall not be postponed or canceled, and the proposals set out in the notice shall not be canceled, without a valid reason. In the event of any postponement or cancellation, the convener shall, in accordance with laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, make an announcement and explain the reasons. If a general meeting is postponed, the new date of the meeting shall be announced in the notice.

## Section 6 Holding of General Meetings

**Article 63** The Board of Directors of the Company and other conveners shall take necessary measures to ensure the proper order of the general meeting. Measures shall be taken to stop any acts that disrupt the general meeting, cause trouble or infringe upon the legitimate rights and interests of shareholders, and such acts shall be promptly reported to the relevant authorities for investigation and handling.

**Article 64** All shareholders registered in the share register on the record date, or their proxies, shall have the right to attend the general meeting and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association (unless individual shareholders are required to abstain from voting on individual matters under the securities regulatory rules of the place where the Company's shares are listed).

Shareholders may attend the general meeting in person or appoint a proxy to attend, speak and vote within the scope of the authorization on their behalf. A proxy need not be a shareholder of the Company. To the extent permitted by applicable laws, a natural person shareholder may, in respect of the H Shares held by such shareholder, appoint no more than two (2) proxies for the same general meeting (including any adjourned meeting thereof). Where two (2) proxies are appointed, the instrument of proxy shall specify separately the number of H Shares represented by each proxy.

Where a shareholder appoints more than one proxy, none of such proxies shall be entitled to vote on the relevant resolutions by a show of hands.

**Article 65** Shareholders shall appoint their agents in writing or by submitting the form to the designated electronic address approved by the Board of Directors. The form shall be signed by the appointor or his/her agent appointed in writing or submitted to the designated electronic address or by electronic means. If the appointor is a legal person(s), the form shall be affixed with the seal of the legal person(s) or signed by its duly appointed agent or submitted to the designated electronic address or by electronic means.

To the extent permitted by applicable laws and regulations and subject to any limitations on the services provided by the Company's approved securities registrar, shareholders of H Shares may appoint a proxy or revoke any such appointment by authenticated message in accordance with Article 176 of the Articles of Assocation.

Any appointment or revocation made pursuant to the preceding paragraph may, to the extent permitted by applicable laws and regulations, satisfy the requirements of the Articles of Association as to the written form, signature, sealing and manner of submission of the relevant documents by means of authenticated message and related electronic records. The scope of authority, required contents, identity verification, supporting documents and submission deadline in respect of any such appointment shall remain subject to compliance with the Articles of Association and applicable laws and regulations.

**Article 66** If the shareholder is the recognized clearing house of the jurisdiction where the shares of the Company are listed or its nominee, the shareholder may authorize one or more persons it deems appropriate to act as its representative or its proxy at any general meeting or any meeting of creditors; however, if more than one person is authorized, the power of attorney shall specify the number and class of shares involved by each such person, and the power of attorney shall be signed by the authorized personnel of the recognized clearing house. The person(s) so authorized may attend the meeting on behalf of the recognized clearing house (or its agent) (upon presentation of his/her identification, without presenting the shareholding certificate, notarized authorization and/or further evidence to prove that he/she is duly authorized) to exercise his/her rights as if he/she was an individual shareholder of the Company, enjoying the statutory rights equivalent to those of other shareholders, including the right to speak and vote.

Where an individual shareholder attends the meeting in person, such shareholder shall produce his/her identity card or other valid documents or proof evidencing his/her identity; where a proxy attends the meeting on behalf of a shareholder, the proxy shall produce his/her own valid identity document and the power of attorney issued by the shareholder.

A corporate shareholder shall attend the meeting through its legal representative or a proxy appointed by the legal representative. Where the legal representative attends the meeting, such legal representative shall produce his/her identity card and valid proof evidencing his/her capacity as the legal representative; where a proxy attends the meeting, the proxy shall produce his/her identity card and a written power of attorney duly issued by the legal representative of the corporate shareholder.

A partnership shareholder shall attend the meeting through its executive partner, the appointed representative of the executive partner, or a proxy appointed by either of the foregoing. Where the executive partner or its appointed representative attends the meeting, such person shall produce his/her identity card and valid proof evidencing his/her capacity as the executive partner or the appointed representative thereof; where a proxy attends the meeting, the proxy shall produce his/her identity card and a written power of attorney duly issued by the executive partner of the partnership or its appointed representative. The foregoing shall not apply where the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time.

**Article 67** The power of attorney issued by a shareholder to appoint a proxy to attend the general meeting shall specify the following information:

(1) Name of the principal and the class and number of shares of the Company held;

(2) Name of the proxy;

(3) Specific instructions from the shareholders, including instructions to vote for, against or abstain from voting on each matter to be considered on the agenda of the general meeting;

(4) Date of issuance and validity period of the power of attorney;

(5) Signature (or seal) of the principal. If the principal is a corporate shareholder, the instrument shall be affixed with its corporate seal.

The power of attorney shall indicate whether the proxy may vote at their own discretion if no specific instructions are given by the shareholder.

**Article 68** If the power of attorney for voting by proxy is signed by a person authorized by the principal, the power of attorney or other authorization documents shall be notarized. Both the notarized power of attorney or other authorization documents and the power of attorney for voting by proxy must be deposited at the Company's residence or other place designated in the notice convening the meeting twenty-four (24) hours before the meeting or twenty-four (24) hours before the designated voting time.

**Article 69** The Company is responsible for preparing a register of meeting attendees. The meeting register shall specify the name (or name of the entity) and identity card number of the person (or entity) attending the meeting, the number of voting shares held or represented, and the name (or name of the entity) of the principal represented by the proxy.

**Article 70** The convener shall verify the legality of the shareholders' qualifications based on the register of members provided by the securities registration and clearing organization or approved securities registrar, and register the shareholder's name and the number of voting shares held. Registration shall end before the chairperson announces the total number of shareholders and proxies present in person and the total number of shares with voting rights held. Shareholders who vote through online voting shall have their shareholder status verified by the securities exchange's identity verification institution or others as permitted by the securities regulatory rules of the place where the Company's shares are listed.

**Article 71** Where the general meeting require the directors or senior management to attend the meeting, the directors and senior management shall attend and address the inquiries of the shareholders.

**Article 72** The general meeting is chaired by the chairman of the Board of Directors. In the event that the chairman of the Board of Directors is incapable of performing or is not performing his/her duties, a director selected jointly by a majority of the directors shall preside over the meeting.

The general meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable or fails to perform his or her duties, a member of the Audit Committee selected jointly by a majority of the Audit Committee members shall preside over the meeting.

A general meeting convened by the shareholders themselves shall be presided over by a representative elected by the convener.

When convening a general meeting, if the meeting presider violates the rules of procedure and makes it impossible to continue the general meetings, with the consent of more than half of the shareholders present at the general meeting with voting rights, the general meeting may elect one person to serve as the meeting presider and continue the meeting.

**Article 73** The Company formulates the rules of procedure for the general meeting, which stipulate in detail the proceedings for convening and voting at the general meeting, including such contents as notice, registration, consideration of motions, voting, vote counting, announcement of voting results, formulation of meeting resolutions, minutes of the meeting and their signing, and public announcements. The rules of procedure for the general meeting shall be attached to the Articles of Association as an appendix and drafted by the Board of Directors and approved by the general meeting.

**Article 74** At the annual general meeting, the Board of Directors shall report on its work over the past year. Each independent non-executive director shall also make a report on his/her work.

**Article 75** The directors and senior management shall provide explanations and clarifications at the general meeting in response to queries and proposals from shareholders.

**Article 76** The presiding officer shall, before voting begins, announce the number of shareholders and proxies present in person and the total number of shares with voting rights held by them. The number of shareholders and proxies present in person and the total number of shares with voting rights held by them shall be determined on the basis of the registration for the meeting.

**Article 77** The general meeting shall have minutes, which shall be prepared by the secretary of the Board of Directors. The minutes of the meeting record the following:

(1) The time, venue, agenda and name of the convener of the meeting;

(2) The names of the presiding officer and the directors and senior management present or in attendance at the meeting;

(3) The number of shareholders and proxies attending the meeting, the total number of voting shares held and the percentage of the Company's total number of shares;

(4) The deliberation process, key points of the speeches and voting results for each motion;

(5) Shareholders' inquiries or suggestions and the corresponding responses or explanations;

(6) Names of the vote counter and supervisor;

(7) Others as stipulated in the Articles of Association and to be included in the minutes of the meeting.

**Article 78** The convener shall ensure that the content of the minutes is true, accurate and complete. The directors, secretary of the Board of Directors, convener or his/her representative, and the presiding officer who attended the meeting or participated in the meeting shall sign the minutes.

The minutes shall be kept together with the shareholders' attendance register and the proxy forms as well as other valid information, and shall be retained for not less than ten (10) years.

**Article 79** The convener shall ensure that the general meeting continues until a final resolution is reached. If the general meeting is suspended or unable to make a resolution due to special reasons such as force majeure, necessary measures shall be taken to resume the general meeting as soon as possible or to directly terminate this general meeting, and a public announcement and report shall be made in a timely manner in accordance with the laws and regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the provisions of the relevant regulatory authorities.

## Section 7 Voting and Resolutions of General Meetings

**Article 80** Resolutions of the general meeting are divided into ordinary resolutions and special resolutions.

Ordinary resolutions made by the general meeting must be passed by more than half of the voting rights held by the shareholders (including proxies) present at the general meeting.

Special resolutions made by the general meeting must be passed by two-thirds or more of the voting rights held by the shareholders (including proxies) present at the general meeting.

**Article 81** The following matters shall be resolved by ordinary resolution at a general meeting:

(1) work reports of the Board;

(2) profit distribution schemes and loss makeup plan prepared by the Board;

(3) the appointment and removal of members of the Board who are not employee representatives, and the remuneration and manner of payment of such members; the removal of any director (including a chairman or other executive director) before the expiration of his/her term of office. However, such removal shall not affect any claim for damages under any contract made by that director;

(4) the Company's annual budgets and final accounts;

(5) the annual report of the Company;

(6) the appointment or dismissal of accounting firms by the Company and the determination of their remuneration;

(7) connected transactions to be entered into by the Company with connected persons in an amount of 30 million yuan or more, and accounting for 5% or more of the absolute value of the Company's latest audited net assets;

(8) changing the investment project with raised funds;

(9) matters other than those required by the laws, administrative regulations or the Articles of Association to be approved by special resolution.

**Article 82** The following matters shall be resolved by special resolution at a general meeting:

(1) the Company increases or decreases its registered capital;

(2) the merger, division, dissolution, liquidation (including voluntary liquidation) or change of corporate form of the Company;

(3) amending the Articles of Association;

(4) the Company purchases or disposes of material assets within one year or the amount guaranteed exceeds 30% of the Company's latest audited total assets;

(5) share incentive plans;

(6) other matters that are stipulated in laws, administrative regulations, the Hong Kong Listing Rules, the Articles of Association, or the securities regulatory rules of the place where the Company's shares are listed and requirements of the relevant regulatory authorities, or that the general meeting determines by ordinary resolution to have a significant impact on the Company and to require approval by special resolutions.

**Article 83** A shareholder (including a proxy) shall exercise voting rights according to the number of voting shares he/she represents, and each share shall carry one vote. When voting, a shareholder (including a proxy) who holds two or more votes need not cast all votes in favor of, against or abstaining from a resolution.

Shares of the Company held by the Company shall have no voting rights and shall not be counted in the total number of voting shares.

Where any shareholder is required under the Hong Kong Listing Rules to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, such shareholder shall abstain from voting or vote in accordance with such requirement; any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Resolutions involving Rule 2.2 and Rule 2.10 of the Code on Takeovers and Mergers and Rule 3.3 of the Code on Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, and other resolutions that are required to be passed only by holders of H Shares pursuant to the relevant provisions of the Hong Kong Listing Rules, the Code on Takeovers and Mergers and the Code on Share Buy-backs as amended from time to time, shall be passed by, and only by, a meeting of holders of H Shares.

**Article 84** When the general meeting considers matters related to connected transactions, the connected shareholders shall not participate in the voting, and the number of voting shares they represent shall not be counted in the total number of valid votes. The resolution of the general meeting shall state the avoidance and voting of the connected shareholders, and fully specify the voting of the non-connected shareholders.

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

(1) Before issuing the notice of a general meeting, the convener shall, in accordance with the relevant provisions of laws, regulations, and rules, determine whether the matters to be submitted to the general meeting for consideration constitute connected transactions. If the convener determines that a matter to be considered constitutes a connected transaction, the convener shall notify the connected shareholders in writing and, in the notice of the general meeting, provide an explanation of the circumstances of the connected persons involved in the matter to be considered.

(2) When a general meeting is convened, connected shareholders shall proactively apply for abstention, and other shareholders shall also have the right to request the convener that such shareholders abstain. The convener shall, in accordance with relevant regulations, examine whether a shareholder is a connected shareholder and shall have the right to decide whether such shareholder shall abstain from voting. After the connected persons have abstained, other shareholders shall vote based on the voting rights they hold, and a corresponding resolution shall be passed in accordance with the provisions of the Articles of Association; the chairman of the meeting shall announce the number of shareholders and proxies present at the meeting, other than the connected persons, and the total number of shares with voting rights held by them.

(3) If a shareholder objects to the convener's decision regarding the aforementioned connected transactions or connected shareholders, such shareholder shall have the right to request a people's court to adjudicate on the relevant matters; however, the exercise of the aforementioned right by the relevant shareholder shall not affect the convening of the general meeting.

(4) Connected shareholders involved in a connected transaction may provide explanations and descriptions to the general meeting regarding matters such as whether the relevant connected transaction is fair and legal and the reasons for its occurrence, but shall have no right to participate in the voting on such matters, and shall not serve as shareholder representatives for counting the votes on such matters.

(5) Matters concerning connected transactions shall be passed by more than half of the voting rights held by the shareholders present at the general meeting other than the connected shareholders; if such matter falls within the scope of matters requiring a special resolution as stipulated in Article 82 of the Articles of Association, it shall be passed by two-thirds or more of the voting rights held by the shareholders present at the general meeting other than the connected shareholders.

(6) Where a connected shareholder participates in voting in violation of the provisions of this Article, its votes on the relevant connected transaction matters shall be void.

**Article 85** Except in special circumstances such as a crisis, the Company shall not, without the approval of the general meeting by special resolution, enter into any contract with any person other than the directors, general manager, co-presidents and other senior management to entrust the management of all or a substantial part of the Company's business to such person.

**Article 86** The list of director candidates shall be submitted as a proposal to the general meeting for voting.

When the general meeting votes on the election of directors, a cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or a resolution of the general meeting.

When the general meeting elects two or more independent non-executive directors, a cumulative voting system shall be implemented. When voting on the election of directors at a general meeting, the cumulative voting method shall be adopted if a single shareholder and his/her parties acting in concert hold an interest of 30% or more of the shares.

Director candidates shall possess the qualifications for office as prescribed by laws, regulations and other relevant rules as well as the professional competence and level of knowledge commensurate with the performance of their duties.

The method and procedure for the nomination of directors shall be as follows:

(1) The current Board of Directors, or shareholders who individually or collectively hold 3% or more of the Company's shares for 90 consecutive days or more, may propose a proposal for candidates for directors of the next session of the Board of Directors or for additional directors, up to the number of persons to be elected. After the current Board of Directors has solicited the opinions of the nominees and reviewed their qualifications for office, the Board of Directors shall submit the proposal to the general meeting for voting.

(2) The current Board of Directors, or shareholders who individually or collectively hold 3% or more of the Company's shares for 90 consecutive days or more, may submit a proposal for candidates for independent non-executive directors to the general meeting. The current Board of Directors shall conduct a qualification review. For those who are found to meet the qualifications for the position of independent non-executive director upon review, the Board of Directors shall submit them to the general meeting for voting.

(3) The above-mentioned proposals submitted by the Board of Directors, the Audit Committee and shareholders entitled to nominate to the convener of the general meeting shall include relevant information such as the identity certificates, résumés and basic information of the director candidates; the Board of Directors shall provide detailed information on the director candidates before the general meeting is held.

The general meeting shall vote on all proposals, except for cumulative voting, on a case-by-case basis. If there are different motions on the same matter, they shall be voted on in the chronological order in which they were proposed. Except in the event that the general meeting is suspended or is unable to make a resolution due to special reasons such as force majeure, the general meeting may not set aside or not vote on the motions.

**Article 87** When the general meeting considers a proposal, no amendment to the proposal shall be made. Otherwise, the relevant changes shall be treated as a new proposal that cannot be voted on at this general meeting.

**Article 88** The same voting right can only be exercised by one of the following means of on-site voting, online voting or other means of voting. In the event of repeated voting of the same voting right, the results of the first vote shall prevail.

**Article 89** Voting at the general meeting is by open ballot.

**Article 90** Before the general meeting votes on the motions, it shall elect two (2) shareholder representatives to participate in and supervise the vote counting. If the matters under consideration involve the interests of the shareholders, the relevant shareholders and their proxies shall not participate in the vote counting or supervision. When the general meeting votes on motions, shareholder representatives and members of the Audit Committee shall be jointly responsible for counting and monitoring the votes, and announce the voting results on the spot. The voting results of the resolutions shall be included in the meeting minutes. Shareholders of the Company or their proxies voting via the internet or video conference, telephone or other means shall have the right to check the result of their vote via the corresponding voting system.

**Article 91** The on-site meeting of shareholders shall not end earlier than the voting sessions conducted online or by other means. The meeting host shall announce the voting situation and results of each motion and announce whether the motion has been passed or not based on the voting results.

Before the official announcement of the voting results, all parties involved in the voting, including the Company, the vote counter, the vote supervisors, the shareholders, and the network service providers, whether on site, online, or voting by other means, are obliged to keep the voting information confidential.

**Article 92** Shareholders attending the general meeting shall express one of the following opinions on the motions submitted for voting: assent, objection or abstention except where the securities registration and clearing institution, as the nominal holder of shares under the Interconnection Mechanism for Mainland and Hong Kong Stock Markets, makes declarations in accordance with the intentions of the actual holders. The securities registration and clearing organization shall have the right to appoint proxies or corporate representatives to attend the issuer's general meetings and creditor meetings, and these proxies or corporate representatives shall enjoy statutory rights equal to those of other shareholders, including the rights to speak and vote.

If a vote is not filled in, incorrectly filled in, illegible or not cast, the voter shall be deemed to have waived his/her voting rights, and the voting results for the number of shares held by him/her shall be counted as "abstain".

**Article 93** Where the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the relevant regulatory authorities require any shareholder to abstain from voting on any particular resolution or restrict any shareholder to voting only for (or against) any particular resolution, any votes cast by or on behalf of such shareholders in contravention of such requirements or restrictions shall not be counted. If the presiding officer has any doubt as to the outcome of a resolution submitted for voting, he or she may organize a vote count of the votes cast. If the presiding officer does not conduct a vote count, and a shareholder or shareholder proxy attending the meeting objects to the outcome announced by the presiding officer, he or she shall have the right to request a vote count immediately after the voting result is announced, and the presiding officer shall immediately organize a vote count.

**Article 94** The resolution of the general meeting shall be announced in a timely manner. The public announcement shall specify the number of shareholders and proxies in attendance, the total number of shares with voting rights held and the percentage of the Company's total number of shares with voting rights, the voting method, the voting results of each motion, and the details of each resolution passed. The issuance of domestic-listed foreign shares shall be subject to separate statistics and public announcements on the attendance and voting of holders of domestic shares and holders of foreign shares.

**Article 95** If the motions are not passed, or if the general meeting changes the resolutions of the previous general meeting, a special reminder shall be included in the general meeting resolution.

**Article 96** If a proposal regarding the election of directors is passed by the general meeting, the newly appointed directors shall take office from the date on which the resolution of the general meeting is passed; if a proposal regarding the election of directors is passed by the inaugural meeting, the newly appointed directors shall take office from the date of the establishment of the joint stock company. However, in the case of an election of directors for a new term, if the term of office of the predecessor director expires later than the date on which the resolution of the general meeting is passed, the term of office of the newly appointed director shall commence from the day following the expiry of the term of office of his/her predecessor.

**Article 97** If a proposal on cash dividend distribution, bonus share issuance or capitalization of capital reserve is passed at a general meeting, the Company shall implement the specific plan within 2 months after the conclusion of the general meeting. Where the relevant laws, regulations, the Hong Kong Listing Rules and the relevant requirements of the securities regulatory authorities in the place where the Company's shares are listed provide otherwise in respect of the relevant matters mentioned above, such requirements shall prevail.

## CHAPTER V DIRECTORS AND BOARD OF DIRECTORS

### Section 1 General Provisions on Directors

**Article 98** The Company's directors are natural persons. Directors are not required to hold shares in the Company. A person shall not serve as a director of the Company if he or she:

(1) without capacity or with limited capacity for civil conduct;

(2) has been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property, or disrupting the socialist market economic order, or has been deprived of his/her political rights due to a crime, where not more than five (5) years have elapsed since the completion of the sentence, and in the case of being granted a suspended sentence, not more than two (2) years have elapsed since the date of expiry of the probation period;

(3) has served as a director, factory manager or manager of a company or an enterprise that is bankrupt and liquidated, and is personally liable for the bankruptcy of such company or enterprise, where not more than three (3) years have elapsed since the date of completion of the bankruptcy liquidation of such company or enterprise;

(4) a person who has served as the legal representative of a company or enterprise whose business license was revoked or which is ordered to close down due to any violation of law, and is held personally liable for the revocation or closure, where not more than three (3) years have elapsed since the date when the revocation or closure occurs;

(5) a person who fails to liquidate a relatively large amount of personal debts when they are due, resulting in such person being listed by a people's court as a judgment debtor subject to enforcement for dishonesty;

(6) being subject to a ban from entering the securities market by the CSRC, with the term not yet expired;

(7) a person who has been publicly recognized by the stock exchange as being unsuitable to serve as a director or senior management of a listed company, etc., and whose term has not yet expired;

(8) other contents stipulated in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, or the securities regulatory rules of the place where the Company's shares are listed and the requirements of relevant regulatory authorities.

If a director is elected, appointed or engaged in violation of this Article, such election, appointment or engagement shall be invalid. The Company shall remove a director from office and require the director to cease performing his/her duties if any of the circumstances specified in this Article occur during their term of office.

**Article 99** Directors shall be elected or replaced by the general meeting, with a term of three (3) years. A director may serve consecutive terms if re-elected.

The general meeting, subject to compliance with the relevant laws, administrative regulations and the provisions of the Hong Kong Listing Rules, may, by ordinary resolution, remove any director (including an executive director) before the expiration of his/her term of office (but without prejudice to any claim for damages under any contract). The resolution shall take effect on the date on which it is made.

The term of office of a director shall be calculated from the date of office until the expiration of the term of the current Board of Directors. If a director's term of office expires and a successor is not elected in time, until the newly elected director takes office, the original director shall still perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association. Subject to the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed, if the Board of Directors appoints a new director to fill a casual vacancy or as an addition to the Board of Directors, the term of office of the appointed director shall only end at the next annual general meeting of the Company, and he/she shall be eligible for re-election at that time. All directors appointed to fill a casual vacancy shall subject to election by shareholders at the first general meeting after their appointment.

Directors may concurrently serve as senior management personnel, but the total number of directors who concurrently hold the roles of senior management shall not exceed 1/2 of the total number of the Company's directors.

**Article 100** The directors shall comply with laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association, and shall have the following duties of loyalty to the Company:

(1) no encroachment on the assets of the Company or misappropriation of the Company's funds;

(2) not to open accounts in his/her own name or in the name of any other person for the deposit of the Company's assets or funds;

(3) not to take advantage of one's position to engage in bribery or accept other illegal income;

(4) not to enter into contracts or conduct transactions with the Company, whether directly or indirectly, without reporting to the Board of Directors or the general meeting and obtaining approval by a resolution of the Board of Directors or the general meeting in accordance with the provisions of the Articles of Association;

(5) not to take advantage of their position to seek for themselves or others any business opportunities that belong to the Company, unless the matter has been reported to the Board of directors or the general meeting and has been approved by a resolution of the general meeting, or the Company is unable to use the business opportunity due to laws, administrative regulations or the provisions of the Articles of Association;

(6) without reporting to the Board of Directors or the general meeting and obtaining the approval by a resolution of the general meeting, not to operate a business of the same type as that of the Company, either on their own behalf or on behalf of another person;

(7) not to accept commissions from transactions between others and the Company for their own benefits;

(8) not to disclose secrets of the Company without authorization;

(9) not to take advantage of their connected relationships to prejudice the interests of the Company;

(10) other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, relevant regulatory authorities, and the Articles of Association.

The income obtained by a director in violation of this Article shall belong to the Company; if any loss is caused to the Company, he/she shall be liable for compensation.

If close relatives of directors and senior management, enterprises directly or indirectly controlled by directors, senior management or their close relatives, and related persons who have other related relationships with directors and senior management enter into contracts or transactions with the Company, the provisions of item (4) of the second paragraph of this Article shall apply.

**Article 101** The directors shall comply with the laws, administrative regulations and the Articles of Association, and shall owe the Company the following diligence obligations. They shall perform their duties with the reasonable care normally exercised by managers in the best interests of the Company:

(1) shall prudently, earnestly and diligently exercise the rights granted by the Company to ensure that the Company's business practices comply with the requirements of state laws, administrative regulations, and state economic policies, and that the Company's commercial activities do not exceed the scope of business stipulated in the business license;

(2) to treat all shareholders fairly;

(3) shall maintain a timely awareness of the operation and management of the Company;

(4) the directors shall sign a written confirmation of the Company's regular reports, ensuring that the Company discloses information in a timely and fair manner, and that the information disclosed is true, accurate, and complete. If the directors cannot guarantee the authenticity, accuracy, and completeness of the contents of the securities issuance documents and regular reports or have any opposition, they shall express their opinion and state the reasons in the written confirmation, which the Company shall disclose. If the Company does not disclose, the directors may directly request disclosure;

(5) shall truthfully provide the Audit Committee with relevant information and materials, and shall not hinder the Audit Committee from exercising its functions;

(6) in the course of business activities, they shall exercise due care in accordance with the principle of business judgment and make every effort to safeguard the interests of the Company and all shareholders;

(7) other diligent obligations prescribed by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association.

**Article 102** If a director fails to attend two consecutive Board meetings in person and fails to appoint another director to attend on his/her behalf, he/she shall be deemed to be unable to perform his/her duties, and the Board of Directors shall propose to the general meeting that they be replaced. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, directors who attend Board meetings online, via video conference, by telephone or other means of equivalent effect shall also be deemed to have attended in person.

**Article 103** Directors may resign before the expiration of their term of office. The resignation of the directors shall be submitted in writing to the Company. The resignation shall be effective on the date the Company receives the resignation. The Company will make disclosure within two trading days.

If the resignation of a director results in the number of members of the Company's Board of Directors falling below the statutory minimum, or the resignation of an independent non-executive director results in the proportion of independent non-executive directors on the Board of Directors being less than one-third of the members of the Board of Directors or there being a lack of professionally qualified persons among the independent non-executive directors, and this is not in compliance with the provisions of laws, regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the original director shall continue to perform his/her duties as a director in accordance with the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association, before the re-elected director assumes office.

**Article 104** Independent non-executive directors may resign before the end of their term of office. If the resignation of an independent non-executive director results in the number of independent non-executive directors being less than one-third of the members of the Board of Directors, or the requirements set out in the regulatory rules of the place where the Company's shares are listed are not met, the original independent non-executive director shall continue to perform the duties of an independent non-executive director in accordance with the laws, administrative regulations, departmental rules and the provisions of the Articles of Association before the newly elected independent non-executive director assumes office. If at any time the Company's independent non-executive directors do not meet the number, qualifications or independence requirements prescribed by the Hong Kong Listing Rules, the Company must immediately notify the Hong Kong Stock Exchange and issue a public announcement stating the relevant details and reasons. The Company must also appoint a sufficient number of independent non-executive directors within three months to meet the requirements of the Hong Kong Listing Rules.

**Article 105** The Company has established a management system for the departure of directors, which clearly defines the coverage of public commitments that have not been fulfilled and other matters that have not been dealt with, as well as the measures to ensure accountability and recovery. When a director's resignation is effective or the term of office expires, he or she must complete all handover procedures with the Board of Directors. His or her obligation to keep the Company's trade secrets confidential remains valid after the end of his or her term of office until such time as the information becomes public. Directors' other fiduciary duties to the Company and shareholders remain valid for a period of three years from the date of departure. The liability of directors for the performance of their duties during their term of office shall not be exempted or terminated by reason of their departure from office.

The obligations of confidentiality and duties of loyalty to be performed by directors after their departure as prescribed in the Articles of Association shall also apply to senior management.

**Article 106** No director shall act in his/her personal name on behalf of the Company or the Board without the legal authorization by the Articles of Association or the Board. When a director acts in his/her personal name and a third party may reasonably believe that the director acts on behalf of the Company or the Board, the director shall declare his/her position and identity in advance.

**Article 107** If the Company's directors violate the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the provisions of relevant regulatory authorities or the Articles of Association when performing their duties, and losses are incurred to the Company, they shall be liable for compensation.

If the directors perform their duties and cause damage to others, the Company shall be liable for compensation. The directors shall also be liable for compensation if there is intent or gross negligence on their part.

The Company's controlling shareholder(s) and de facto controller(s), who instruct the directors to act against the interests of the Company or its shareholders, shall be jointly and severally liable with the directors.

The Company has independent non-executive directors. Independent non-executive directors shall perform their duties in accordance with the relevant provisions of the laws and regulations, the Hong Kong Listing Rules and the Articles of Association.

## Section 2 Board of Directors

**Article 108** The Company shall establish a Board of Directors, which shall be accountable to the general meeting.

**Article 109** The Board of Directors of the Company consists of 15 directors, including five independent non-executive directors. The directors of the Company are divided into executive directors, non-executive directors and independent non-executive directors, of which non-executive directors refer to directors who do not hold operational or management positions in the Company. Independent non-executive directors shall constitute at least one-third of the Board and shall be no fewer than 3 in number. At least one of the independent non-executive directors shall be a person with appropriate accounting or related financial management expertise, or appropriate professional qualifications as referred to in the Hong Kong Listing Rules.

**Article 110** The Board of Directors shall exercise the following functions and powers:

(1) to convene general meetings and report on its work to the general meetings;

(2) to execute resolutions of the general meeting;

(3) to resolve on the Company's annual business plans and investment plans;

(4) to formulate the Company's profit distribution schemes and loss makeup plan;

(5) to formulate plans for the Company's increase or reduction of registered capital, issuance of bonds or other securities, and listing;

(6) to formulate plans for material acquisitions, purchase of shares of the Company or merger, division, dissolution and change of corporate form of the Company;

(7) to decide on the Company's external investment, acquisition and disposal of assets, asset mortgage, external guarantees, entrusted financial management, connected transactions, external donations and other matters within the scope of authorization of the general meeting;

(8) to decide on the setup of the Company's internal management organs;

(9) to decide on the appointment or dismissal of the Company's manager, secretary to the Board and other senior management personnel, and determine their emoluments and rewards and punishments; decide on the appointment or dismissal of the Company's deputy manager, financial officer and other senior management personnel based on the nomination of the manager and decide on their emoluments and rewards and punishments;

(10) to formulate the basic administration system of the Company;

(11) to formulate the proposals for any amendment to the Articles of Association;

(12) to manage information disclosure matters of the Company;

(13) to propose to the general meeting the appointment or replacement of the accounting firm that audits the Company;

(14) to hear the work report of the manager of the Company and inspect the work of the manager;

(15) to formulate and review the Company's corporate governance policies and practices, and make recommendations to the Board of Directors;

(16) to review and monitor the training and continuous professional development of directors and senior management;

(17) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(18) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;

(19) to review the Company's compliance with the Corporate Governance Code (Appendix C1 to the Hong Kong Listing Rules) and its disclosure in the corporate governance report;

(20) to approve transactions that, according to the laws, regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, the relevant regulatory authorities and the Articles of Association, should be approved by the Board of Directors;

(21) other functions and powers granted by the laws, administrative regulations, departmental rules, the Articles of Association or the general meeting;

(22) others as required by laws and regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the relevant regulatory authorities.

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

**Article 111** The Board of Directors shall provide an explanation to the general meeting regarding any non-standard audit opinion issued by the certified public accountant on the Company's financial reports.

**Article 112** The Board of Directors shall formulate rules of procedure for the Board of Directors to ensure that the Board implements the resolutions of the general meeting, improves work efficiency, and ensures scientific decision-making. The rules of procedure for the Board of Directors shall provide for the procedures for convening and voting at Board meetings, shall be an appendix to the Articles of Association, and shall be drafted by the Board of Directors and approved by the general meeting.

The Company shall develop and disclose a board skills matrix showing:

(1) the existing skill set of the Board of Directors;

(2) how the combination of factors such as directors' skills, experience and diversity serves the Company's purpose, values, strategy and desired culture;

(3) details and plans for the Board of Directors to acquire additional skills, and how the relevant plans from previous years were implemented during the reporting year and their progress (if applicable).

**Article 113** The Board of Directors shall determine the limits of authority for matters such as external investment, acquisition and disposal of assets, asset mortgage, external guarantees, entrusted financial management, connected transactions and external donations, and establish strict review and decision-making procedures. Major investment projects shall be organized for appraisal by relevant experts and professionals, and be reported to the general meeting for approval.

(1) Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, transaction matters that meet the following thresholds shall be decided by the Company's general meeting: 1. the total assets involved in the transaction (if both book value and appraised value exist, the higher shall prevail) account for 50% or more of the Company's latest audited total assets; 2. the transaction amount accounts for 50% or more of the Company's market value; 3. the net assets of the subject of the transaction (such as equity) for the latest financial year account for 50% or more of the Company's market value; 4. the operating revenue related to the subject of the transaction (such as equity) for the latest financial year accounts for 50% or more of the Company's audited operating revenue for the latest financial year, and exceeds 50 million yuan; 5. the profit generated from the transaction accounts for 50% or more of the Company's audited net profit for the latest financial year, and exceeds 5 million yuan; 6. the net profit related to the subject of the transaction (such as equity) for the latest financial year accounts for 50% or more of the Company's audited net profit for the latest financial year, and exceeds 5 million yuan.

(2) Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, investment matters that meet the following thresholds but do not reach the thresholds for the Company's general meeting shall be decided by the Company's Board of Directors: 1. the total assets involved in the transaction (if both book value and appraised value exist, the higher shall prevail) account for 10% or more of the Company's latest audited total assets; 2. the transaction amount accounts for 10% or more of the Company's market value; 3. the net assets of the subject of the transaction (such as equity) for the latest financial year account for 10% or more of the Company's market value; 4. the operating revenue related to the subject of the transaction (such as equity) for the latest

financial year accounts for 10% or more of the Company's audited operating revenue for the latest financial year, and exceeds 10 million yuan; 5. the profit generated from the transaction accounts for 10% or more of the Company's audited net profit for the latest financial year, and exceeds 1 million yuan; 6. the net profit related to the subject of the transaction (such as equity) for the latest financial year accounts for 10% or more of the Company's audited net profit for the latest financial year, and exceeds 1 million yuan.

(3) If any data used in the above calculations is a negative value, its absolute value shall be used for the calculation. Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, investment matters that do not meet the thresholds for the authority of the Company's Board of Directors shall be decided by the Company's general manager and reported to the Board of Directors for filing.

**Article 114** The Board of the Company shall have one (1) chairman, who shall be elected and dismissed by more than half of the directors. The term of office of the chairman shall be three years, and may be renewed upon re-election.

**Article 115** The chairman shall exercise the following functions and powers:

(1) to preside over general meetings and to convene and preside over the Board meetings;

(2) to supervise and inspect the implementation of Board resolutions;

(3) to sign the physical share certificates, corporate bonds and other negotiable securities lawfully issued by the Company, provided that, in respect of physical H Share certificates, Article 16 of the Articles of Association shall be complied with;

(4) to sign documents of the Board of Directors and other documents that should be signed by the legal representative;

(5) to exercise the powers of the legal representative;

(6) in the event of force majeure emergencies such as severe natural disasters, to exercise special powers to handle corporate matters in compliance with legal requirements and the interests of the Company, and report to the Board of Directors of the Company and the general meeting afterwards;

(7) other functions and powers authorized by the Board.

**Article 116** If the chairman of the Board of Directors is unable or fails to perform his/her roles, more than half of the directors shall jointly elect a director to perform such roles.

**Article 117** Board meetings are divided into regular meetings and extraordinary meetings. Regular meetings are held at least four (4) times each year on a quarterly basis.

**Article 118** Shareholders representing 1/10 or more of the voting rights, 1/3 or more of the directors or the Audit Committee may propose to convene an interim meeting of the Board. The chairman of the Board shall convene and preside over a Board meeting within ten (10) days after receiving the proposal.

**Article 119** The Board of Directors shall give fourteen (14) days' written notice before a regular meeting and five (5) days' written notice before an extraordinary meeting. The above notice period may be waived by decision of the Board of Directors as appropriate in each case. Any director who attends the meeting without raising any objection before or at the beginning of the meeting about not receiving the notice shall be deemed to have received the notice of the meeting.

**Article 120** The notice of meetings of the Board shall include the following:

(1) the date and venue of the meeting;

(2) the method and term of convening the meeting;

(3) the reasons for holding the meeting and the matters to be discussed;

(4) the date on which the notice was sent.

**Article 121** Meetings of the Board shall be held only if more than half of the directors are present. Resolutions of the Board must be passed by more than half of all directors.

Each director shall have one vote for resolutions to be approved by the Board of Directors.

**Article 122** If a director is connected to the enterprise involved in the resolutions made at the meetings of the Board, the director shall promptly report to the Board and shall not exercise voting rights on the resolution, nor may he/she exercise voting rights on behalf of other directors. The Board meeting can be held if more than half of the non-connected directors are present, and resolutions made at the Board meeting must be passed by more than half of the non-connected directors. If the number of directors without connected relationship present at the Board meeting is less than three (3), the matter shall be submitted to the general meeting for consideration.

**Article 123** Meetings of the Board of Directors shall be held in person or by other means approved by all directors. While ensuring that the directors can fully express their opinions, the use of the Internet, telephone and video conferencing to facilitate directors' participation in Board meetings is permitted. Directors participating in Board meetings via the Internet, telephone or video conferencing are deemed to be present at the meeting in person.

**Article 124** If a substantial shareholder (for the purposes of this section only, a substantial shareholder means a shareholder who, either alone or with others, holds 10% or more of the total number of voting shares of the Company) or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter should be dealt with by a physical Board meeting (rather than a written resolution). Independent non-executive directors who, and whose close associates (as defined in the Hong Kong Listing Rules), have no material interest in the transaction should be present at the relevant Board meeting.

**Article 125** Resolutions of the Board of Directors shall be voted on by open ballot.

Provided that the directors may fully express their opinions, extraordinary board meetings may be convened and voted by way of telephone, fax, email and other electronic means, and such resolutions shall be signed by the directors attending the meeting.

If the directors unanimously express their consent in writing to a matter to be considered by the Board of Directors, a Board meeting may be dispensed with and a decision may be made directly, and all directors shall sign or affix their seals to the decision document.

**Article 126** Board meetings shall be attended by the directors in person; if a director is unable to attend for any reason, he/she may authorize another director in writing to attend on his/her behalf. The power of attorney shall state the proxy's name, matters of agency, scope of authorization and valid duration, and shall be signed or stamped by the principal. A director who attends meetings on his/her behalf shall exercise his/her rights within the scope of authorization. If a director fails to attend a Board meeting and has not appointed a representative to attend, he/she shall be deemed to have given up his/her right to vote at the meeting.

A director shall not accept appointments from more than two directors to attend a Board meeting on their behalf at a single Board meeting. An independent non-executive director may only appoint another independent non-executive director to attend the meeting on his/her behalf.

When considering connected transactions, a non-connected director shall not appoint a connected director to attend the meeting on his/her behalf.

**Article 127** The Board of the Company shall keep minutes of the resolutions of the matters discussed at the meeting, which shall be the responsibility of the personnel designated by the Board of Directors. The minutes shall be signed by the directors present at the meeting.

The minutes of the Board meetings shall be kept as corporate archives for a term of not less than ten (10) years.

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

(1) The date, place and name of the convener of the meeting;

(2) The names of the directors attending the meeting and names of the directors (proxies) appointed by others to attend the Board meeting;

(3) Meeting agenda;

(4) Main points of the speech by the directors;

(5) The voting method and result for each resolution (the voting result shall specify the number of votes for, against, or abstaining).

## Section 3 Independent Non-Executive Directors

**Article 129** Independent non-executive directors shall, in accordance with the provisions of laws, administrative regulations, the CSRC, the stock exchange where the Company's shares are listed, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, diligently perform their duties, play a role in participating in decision-making, providing supervision and checks and balances, and offering professional advice within the Board of Directors, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

**Article 130** Independent non-executive directors must maintain their independence. The following person may not serve as an independent non-executive director:

(1) a person who holds office in the Company or its affiliated enterprises and his/her spouses, parents, children, and major social relations;

(2) a natural person shareholder who directly or indirectly holds 1% or more of the Company's issued shares or who is among the top ten (10) shareholders of the Company, and his/her spouses, parents, and children;

(3) a director who has received any interest in the securities of the Company by way of gift or other financial assistance from a core connected person (as defined in the Hong Kong Listing Rules) or the Company itself. However, without prejudice to Note 1 to Rule 3.13(1) of the Hong Kong Listing Rules, a director will still be considered independent if he/she receives an interest in shares or securities from the Company or its subsidiaries (but not from a core connected person) as part of his/her director's fees or pursuant to a share scheme established in accordance with Chapter 17 of the Hong Kong Listing Rules;

(4) a director who is or was a director, partner or principal of a professional adviser which is currently providing or has, within the two years immediately prior to his/her appointment, provided services to the following companies/persons, or who is or was an employee of such professional adviser who is or has been involved in providing such services during the same period:

(a) the Company, its holding company or any of their respective subsidiaries or core connected persons; or

(b) any person who was a controlling shareholder of the Company, or (if there is no controlling shareholder in the Company) was the chief executive or a director (other than an independent non-executive director) of the listed issuer, or any of their close associates (as defined in the Hong Kong Listing Rules), within the two years immediately prior to the date of the proposed appointment of such person as an independent non-executive director;

(5) a director who has or had a material interest in any principal business activity of, or is or was involved in any material business transaction with, the Company, its holding company or their respective subsidiaries, or with any core connected person of the Company, at the time of or within the one year prior to the date of his/her proposed appointment as an independent non-executive director;

(6) a director whose appointment to the Board of Directors is for the purpose of protecting the interests of a specific entity, where such interests are different from those of the shareholders as a whole;

(7) a director who was connected with a director, the chief executive or a substantial shareholder of the Company at the time of or within the two years immediately prior to the date of his/her proposed appointment as an independent non-executive director;

(8) a director who was at the time (or was at any time during the two years immediately prior to the date of his/her proposed appointment as a director) an executive or director (other than an independent non-executive director) of the Company, its holding company or any of their respective subsidiaries or of any core connected person of the Company;

(9) a director who is financially dependent on the Company, its holding company or any of their respective subsidiaries or core connected persons of the Company;

(10) other persons who lack independence as stipulated by laws, administrative regulations, CSRC regulations, the business rules of the stock exchange where the Company's shares are listed, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Subsidiaries of the Company's controlling shareholder or de facto controller in the preceding paragraph do not include enterprises that are controlled by the same state-owned asset management institution as the Company but do not constitute a related relationship with the Company in accordance with relevant regulations.

Independent non-executive directors shall conduct a self-assessment of their independence annually and submit the self-assessment results to the Board of Directors. The Board of Directors shall conduct an annual assessment of the independence of the incumbent independent non-executive directors and issue a special opinion, which shall be disclosed simultaneously with the annual report (if applicable).

**Article 131** Independent non-executive directors of the Company shall meet the following conditions:

(1) being qualified to serve as a director of a listed company in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and other relevant provisions;

(2) meeting the independence requirements stipulated in the Articles of Association;

(3) possessing a basic knowledge of the operation of a listed company and being familiar with relevant laws, regulations and rules;

(4) having five years or more of work experience in law, accounting, economics or other fields necessary for performing the duties of an independent non-executive director;

(5) having good personal integrity and no record of major dishonesty or other adverse records;

(6) other conditions prescribed by laws, administrative regulations, CSRC regulations, the business rules of the stock exchange where the Company's shares are listed, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 132** As members of the Board of Directors, independent non-executive directors owe a duty of loyalty and a duty of diligence to the Company and all shareholders, and shall prudently perform the following duties:

(1) participating in the decision-making of the Board of Directors and expressing clear opinions on matters under discussion;

(2) supervising potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors, and senior management, and protecting the legitimate rights and interests of minority shareholders;

(3) providing professional and objective advice on the Company's operations and development, and promoting the improvement of the Board of Directors' decision-making;

(4) other duties as prescribed by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

**Article 133** Independent non-executive directors shall exercise the following special functions and powers:

(1) independently hiring intermediary agencies to audit, consult on or verify specific matters of the Company;

(2) to propose to the Board of Directors the convening of an extraordinary general meeting;

(3) to propose the convening of a Board meeting;

(4) publicly solicit shareholders' rights from shareholders in accordance with the laws;

(5) expressing independent opinions on matters that may harm the interests of the Company or minority shareholders;

(6) other functions and powers as provided in laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The exercise of the functions and powers listed in items (1) to (3) of the preceding paragraph by independent non-executive directors shall be subject to the consent of more than half of all independent non-executive directors.

**Article 134** The following matters shall be submitted to the Board of Directors for consideration after obtaining the consent of the majority of all independent non-executive directors of the Company:

(1) connected transactions that are required to be disclosed;

(2) plans for changes or exemptions of commitments by the Company and related parties;

(3) decisions made and measures taken by the board of directors of an acquired listed company in relation to the acquisition;

(4) other matters stipulated by laws, administrative regulations, CSRC regulations, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

**Article 135** The Company shall establish a special meeting mechanism attended exclusively by independent non-executive directors. Matters such as connected transactions to be considered by the Board of Directors shall be pre-approved by a special meeting of independent non-executive directors.

The Company shall convene special meetings of independent non-executive directors on a regular or irregular basis. The matters listed in items (1) to (3) of the first paragraph of Article 134 and in Article 135 of the Articles of Association shall be considered by a special meeting of independent non-executive directors.

Special meetings of independent non-executive directors may study and discuss other matters of the Company as necessary.

Special meetings of independent non-executive directors shall be convened and presided over by an independent non-executive director jointly recommended by more than half of the independent non-executive directors; if the convener fails to perform or is unable to perform his or her duties, two or more independent non-executive directors may convene the meeting themselves and recommend one representative to preside.

Minutes of special meetings of independent non-executive directors shall be prepared in accordance with regulations, and the opinions of the independent non-executive directors shall be recorded in the minutes. The independent non-executive directors shall sign and confirm the minutes of the meeting.

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

### Section 4 Special Committees of the Board

**Article 136** The Board of the Company has established an Audit Committee to exercise the powers of the Supervisory Committee as stipulated in the Company Law.

**Article 137** The Audit Committee shall comprise three members who are non-executive directors not serving as senior management of the Company, and the majority of whom shall be independent non-executive directors. At least one of the members shall be an independent non-executive director who is a financial accounting professional and meets the requirements of Rule 3.10(2) of the Hong Kong Listing Rules.

**Article 138** The Audit Committee exercises the powers of the Supervisory Committee as stipulated in the Company Law, and is responsible for reviewing the Company's financial information and its disclosure of information, supervising and evaluating the internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for consideration after being agreed to by more than half of all members of the Audit Committee:

(1) Disclosure of financial information in financial and accounting reports and regular reports, and internal control evaluation reports;

(2) The engagement or dismissal of the accounting firm responsible for the audit work of the Company;

(3) Appointment or dismissal of the financial officer of the Company;

(4) Changes in accounting policies or accounting estimates or corrections of significant accounting errors due to reasons other than changes in accounting standards;

(5) Other matters stipulated in laws, administrative regulations, the CSRC regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

**Article 139** The Audit Committee shall hold at least one (1) meeting each quarter. An extraordinary meeting may be called at the request of two (2) or more members or when the convener deems it necessary. The Audit Committee meeting shall only be held when two-thirds (2/3) or more of the members are present.

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

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

The resolutions of the Audit Committee shall be recorded in the minutes of the meeting in accordance with regulations, which shall be signed by the members of the Audit Committee who attended the meeting.

The Board of Directors is responsible for formulating the working regulations of the Audit Committee.

**Article 140** The Board of Directors of the Company shall establish other special committees such as nomination, remuneration and assessment, and strategy committees, which shall perform their duties in accordance with the Articles of Association and the authorizations of the Board of Directors. Proposals of the special committees shall be submitted to the Board of Directors for review and decision. The Board of Directors is responsible for formulating the working regulations of the special committees.

**Article 141** The Nomination Committee shall consist of no fewer than three directors, a majority of whom shall be independent non-executive directors, and shall include at least one director of a different gender; the chairman (convener) shall be an independent non-executive director or the chairman of the Board. The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the Board of Directors on the following matters:

(1) nomination, appointment or removal of directors;

(2) hiring or dismissing senior management;

(3) other matters stipulated by laws, administrative regulations, CSRC regulations, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

If the Board of Directors fails to adopt or fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for non-adoption in the Board resolution and make a disclosure.

**Article 142** The Remuneration and Appraisal Committee shall consist of no fewer than three directors, and independent non-executive directors shall constitute a majority of its members. The Remuneration and Appraisal Committee shall be responsible for formulating the assessment criteria for directors and senior management and conducting assessments; formulating and reviewing remuneration policies and plans, such as the remuneration determination mechanism, decision-making process, and payment, stop-payment and clawback arrangements for directors and senior management; and making recommendations to the Board of Directors on the following matters:

(1) remuneration of directors and senior management;

(2) formulating or amending equity incentive plans and employee stock ownership plans, the granting of interests to incentive participants, and the fulfillment of conditions for the exercise of interests;

(3) arrangements for directors and senior management to hold shares in a subsidiary to be spun off;

(4) other matters required by laws, administrative regulations, CSRC regulations and the Articles of Association.

If the Board of Directors fails to adopt or fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for non-adoption in the Board resolution and make a disclosure.

**Article 143** The Strategy Committee shall consist of no fewer than three directors, and its chairman (convener) shall be the chairman of the Board; it is responsible for researching and providing recommendations on the long-term development strategy and significant investment decisions of the Company.

If the Board of Directors fails to adopt or fully adopt the recommendations of the Strategy Committee, it shall record the opinions of the Strategy Committee and the specific reasons for non-adoption in the Board resolution and make a disclosure.

## CHAPTER VI SENIOR MANAGEMENT

**Article 144** The Company has one general manager, two co-presidents, several deputy general managers, one chief financial officer and one secretary of the Board of Directors. They are appointed or dismissed by the Board of Directors.

Senior management of the Company includes the general manager, co-presidents, deputy general manager, secretary of the Board of Directors, chief financial officer and others recognized by the Board of Directors as senior management.

**Article 145** Persons who are not qualified to serve as directors under the circumstances provided in Article 98 of the Articles of Association are also not qualified to serve as senior management.

The provisions of Article 100 in relation to duties of loyalty and Article 101 in relation to duties of diligence of the directors of the Articles of Association shall also be applicable to the senior management.

**Article 146** Persons who hold administrative positions other than directors or supervisors in other entities controlled by the Company's controlling shareholders or de facto controllers may not serve as the Company's senior management. The Company's senior management are only paid by the Company and are not paid by the controlling shareholder.

**Article 147** The senior management personnel of the Company are appointed for a term of three years and can be re-appointed upon expiration of term of office.

**Article 148** The general manager and co-presidents shall be accountable to the Board and exercise the following functions and powers:

(1) to preside over the Company's production, operation, and management work, organize the implementation of Board resolutions, and report work to the Board;

(2) to organize the implementation of the Company's annual business plans and investment plans;

(3) to formulate a plan for the establishment of the Company's internal management organization;

(4) to formulate the Company's basic management system;

(5) to formulate the Company's specific rules;

(6) to propose to the Board to appoint or dismiss the Company's deputy general manager and financial officer;

(7) to decide to appoint or dismiss executives other than those who shall be appointed or dismissed by the Board of the Company;

(8) other functions and powers conferred by the Articles of Association or the Board.

The general manager and co-presidents shall attend Board meetings.

**Article 149** The general manager and co-presidents shall, at the request of the Board of Directors or the Audit Committee, report to the Board of Directors or the Audit Committee on the signing and execution of material contracts, the use of funds, and the profit and loss situation of the Company. The general manager and co-presidents must ensure the truthfulness of the report.

**Article 150** The general manager and co-presidents shall formulate detailed working rules for the general manager and co-presidents, which shall be implemented after being reported to and approved by the Board of Directors.

**Article 151** The detailed working rules of the general manager and co-presidents shall include the following:

(1) the conditions for convening, the procedures for, and the persons participating in meetings of the general manager and co-presidents;

(2) the respective specific duties and division of labor of the general manager, co-presidents and other senior management;

(3) the use of the Company's funds and assets, the authority to enter into material contracts, and the system of reporting to the Board of Directors and the Audit Committee;

(4) other matters considered necessary by the Board of Directors.

**Article 152** The general manager and co-presidents may resign before the expiry of their terms of office. The specific procedures and methods for the resignation of the general manager and co-presidents shall be stipulated in the employment contracts between the general manager, co-presidents and the Company.

**Article 153** The deputy general manager shall be nominated by the general manager and co-presidents and appointed or dismissed by the Board of Directors. The deputy general manager assists the general manager and co-president, is responsible for the relevant work entrusted by the general manager and co-president, and issues relevant business documents within the scope of his/her responsibilities. When the general manager or co-president is unable to perform his or her duties, the deputy general manager may be entrusted by the general manager or co-president to act on his or her behalf.

**Article 154** The Company has a Board secretary, who is responsible for the preparation of the Company's general meetings and Board meetings, document storage, and management of the Company's shareholder information.

The secretary to the Board shall comply with the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association.

**Article 155** Senior management personnel who violate laws, administrative regulations, departmental rules or the Articles of Association in the performance of their duties, resulting in damage to the Company, shall be liable to indemnify the Company for such damage.

If a member of the senior management causes losses to others in performing his/her duties, the Company shall be liable for compensation; the senior management shall also be liable for compensation if there is intentionality or gross negligence on his/her part.

The controlling shareholder or de facto controller of the Company who instructs senior management to engage in conduct that harms the interests of the Company or shareholders shall be jointly and severally liable with the senior management for such conduct.

**Article 156** Senior management shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Senior management personnel who fail to faithfully perform their duties or violate their duty of good faith, causing damage to the interests of the Company and public shareholders, shall be liable for compensation according to the laws.

## CHAPTER VII FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

### Section 1 Financial and Accounting System

**Article 157** The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations, the provisions stipulated by the relevant state departments, and the requirements of the Hong Kong Listing Rules.

**Article 158** The Company's fiscal year is the calendar year, from January 1 to December 31. The Company shall prepare an annual financial and accounting report within four (4) months of the end of each fiscal year in accordance with relevant laws and regulations, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed, and the requirements of the relevant regulatory authorities.

**Article 159** The Company will not maintain separate accounting books other than the statutory accounting books. The Company's funds shall not be deposited in any account opened under the name of an individual.

**Article 160** The Company is required to allocate 10% of its profits into its statutory common reserve fund when distributing each year's after-tax profits. When the accumulated amount of the statutory common reserve fund of the Company has reached 50% or more of its registered capital, no further allocation is required.

When the Company's statutory common reserve fund is not sufficient to make up for the Company's losses for the previous years, the current year's profits shall first be used to make up for the losses before any allocation is set aside for the statutory common reserve fund in accordance with the provisions of the preceding paragraph.

After the Company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon passing a resolution at a general meeting, make further allocations from its profits after taxation to the discretionary common reserve fund.

After making up its losses and making allocations to its reserve funds, the balance of the profits after tax shall be allocated to the shareholders in proportion to their shareholdings.

If the general meeting, in violation of the provisions of the preceding paragraph, distributes profits to the shareholders before the Company makes up its losses and makes allocations to the statutory common reserve fund, the shareholders must return the profits distributed in violation of those provisions to the Company.

The shares held by the Company shall not be entitled to any profit distribution.

**Article 161** The Company's reserve funds shall be used to make up the losses or expand the production operations, or be converted to increase the share capital of the Company.

When utilising reserve funds to make up for the Company's losses, the discretionary reserve fund and statutory common reserve fund shall be used first; if the losses still cannot be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory common reserve fund is converted into capital, the retained balance of such reserve fund shall not be less than 25% of the registered capital of the Company before such conversion.

In respect of matters involving the calculation of shareholders' entitlements, such as consolidation or subdivision of H Shares or capitalization of profits or reserves, where consolidation for calculation purposes is not practicable, the Board may, to the extent necessary, calculate separately the entitlements of shareholders in respect of the H Shares held by them in certificated form and in uncertificated form.

**Article 162** After the profit distribution plan is resolved at the general meeting of the Company, the Board of the Company shall complete the distribution of dividends (or shares) within two (2) months after the general meeting. The Company shall distribute dividends in the form of cash or shares.

**Article 163** After the Company pays income tax and makes up for losses from the previous year, the profits are allocated in the following order:

(1) Allocation to the statutory common reserve fund;

(2) Allocation to the discretionary reserve fund upon resolution of the general meeting;

(3) Pay dividends to shareholders as resolved at the general meeting.

**Article 164** The Company shall appoint a receiving agent for the holders of overseas listed foreign shares. The receiving agent shall receive on behalf of the relevant shareholders any dividends or other amounts payable by the Company in respect of the overseas listed foreign shares, and shall keep such amounts on behalf of such shareholders until payment to such holders.

The receiving agent appointed by the Company shall satisfy the requirements of the laws of the place where the Company's shares are listed or the rules of the relevant stock exchange.

## Section 2 Internal Audit

**Article 165** The Company shall implement an internal audit system, which specifies the leadership system, duties and authorities, staffing, funding guarantees, use of audit results and accountability for internal audit work.

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

**Article 166** The internal audit institution of the Company shall conduct supervision and inspection on matters such as the Company's business activities, risk management, internal control, and financial information.

**Article 167** The internal audit institution shall be responsible to the Board of Directors.

The internal audit institution shall be subject to the supervision and guidance of the Audit Committee in the process of supervising and inspecting the business activities, risk management, internal control, and financial information of the Company. If the internal audit institution discovers relevant material issues or leads, it shall immediately report them directly to the Audit Committee.

**Article 168** The internal audit institution shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report issued by the internal audit institution and considered by the Audit Committee, as well as other relevant information.

**Article 169** When the Audit Committee communicates with external audit units such as accounting firms and national audit institutions, the internal audit institution shall actively cooperate and provide necessary support and collaboration.

**Article 170** The Audit Committee shall participate in the performance appraisal of the head of internal audit.

## Section 3 Appointment of Accounting Firm

**Article 171** The Company shall appoint an accounting firm that meets the conditions stipulated in the Securities Law of the People's Republic of China to conduct audits of its financial statements, verification of net assets and other related consulting services. The term of appointment shall be one year and may be renewed.

**Article 172** The appointment, dismissal or non-renewal of an accounting firm shall be decided by the general meeting. The Board of Directors shall not appoint an accounting firm before a decision is made by the general meeting.

**Article 173** The Company shall provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information to the accounting firm it engages, and shall not refuse to provide, conceal, or misrepresent such information.

**Article 174** The auditing expenses of the accounting firm shall be decided by the general meeting.

**Article 175** If the Company dismisses or does not renew the appointment of an accounting firm, it shall notify the accounting firm ten (10) days in advance. When the general meeting votes on the dismissal of the accounting firm, the accounting firm shall be allowed to present its opinions.

If an accounting firm resigns, it shall explain to the general meeting whether the Company has engaged in any improper conduct.

## CHAPTER VIII NOTICES AND ANNOUNCEMENTS

### Section 1 Notices

**Article 176** Notices of the Company shall be issued in the following forms:

(1) by personal delivery;

(2) by post, facsimile or email;

(3) by publishing an announcement on the websites or in the newspapers designated by the Company and the stock exchange, in accordance with the requirements of laws, regulations, the Hong Kong Listing Rules and the regulatory rules of the place where the Company's shares are listed;

(4) in any other form previously agreed upon by the Company and the person to be notified, or subsequently acknowledged by the person to be notified upon receipt of the notice;

(5) in other forms recognized by laws, regulations, the Hong Kong Listing Rules and the regulatory authorities of the place where the Company's shares are listed or as stipulated in the Articles of Association.

With respect to the means by which the Company provides or sends corporate communications to holders of H Shares as required by the Hong Kong Listing Rules, subject to the laws, regulations and listing rules of the place where the Company's shares are listed as well as the Articles of Association, corporate communications may be provided or sent to holders of H Shares by making them available on the websites designated by the Company and/or the website of the Hong Kong Stock Exchange or by other electronic means.

Corporate communications referred to in the preceding paragraph mean any document issued or to be issued by the Company for the information or action of any holder of H Shares of the Company or other person as required under the Hong Kong Listing Rules, including but not limited to:

1. the annual report of the Company (including the report of the Board of Directors, the Company's annual accounts, the audit report and the financial summary report (if applicable));

2. the interim report and the interim summary report of the Company (if applicable);

3. notices of meetings;

4. listing documents;

5. circulars;

6. proxy forms (proxy form shall have the meaning ascribed to it under the Hong Kong Listing Rules).

Where notices are given by way of announcement under the authority conferred by the Articles of Association, such announcements shall be published by the means specified in the Hong Kong Listing Rules.

To the extent permitted by applicable laws and regulations and subject to any restrictions imposed by the Company's approved securities registrar in respect of the relevant facilities and services, notwithstanding any other provision of the Articles of Association as to the method of sending or provision, notices, documents, instructions or other communications relating to H Shares sent or provided between the Company and holders or transferees of H Shares may be sent or provided by means of authenticated message, including general or individual corporate communications issued by the Company, instructions given by H shareholders in respect of corporate actions, and messages appointing or revoking the appointment of a proxy under Article 65. Where an authenticated message is attributable, in accordance with the

Uncertificated Securities Market Rules, to the person who sent or provided it, and the person who receives or is provided with the message is the addressee of the message, the message shall, to the extent those Rules apply, have the effect prescribed by Rules 18 to 21 under those Rules. This paragraph does not affect the Company's obligation to publish announcements or provide corporate communications in accordance with laws and the Hong Kong Listing Rules.

**Article 177** Unless otherwise provided by relevant laws, regulations, the Hong Kong Listing Rules and the listing rules of the place where the Company's shares are listed or the Articles of Association, a notice issued by the Company by way of announcement shall be deemed to have been received by all relevant persons once the announcement is made.

**Article 178** The notice of a general meeting shall be given by way of announcement.

**Article 179** The notice of a Board meeting shall be delivered by hand, mail, facsimile or email.

**Article 180** If a notice of the Company is delivered by hand, the recipient shall sign (or affix a seal to) the delivery receipt, and the date of receipt by the recipient shall be the date of delivery; if a notice of the Company is sent by mail, the fifth (5th) business day from the date of posting shall be the date of delivery; if a notice of the Company is sent by facsimile, the date shown on the transmission report generated by the Company's facsimile machine shall be the date of delivery; if a notice of the Company is sent by email, the date on which the email is sent shall be the date of delivery.

**Article 181** The accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by any person entitled to receive such notice, shall not invalidate the meeting or the resolutions adopted thereat.

### Section 2 Announcements

**Article 182** The Company shall issue announcements and disclose information to holders of domestic shares through the information disclosure newspapers and websites designated by laws, administrative regulations or relevant domestic regulatory authorities. If, pursuant to the Articles of Association, an announcement is to be issued to holders of H Shares, such announcement shall also be published in the manner required by the Hong Kong Listing Rules. All notices or other documents required under Chapter 19A of the Hong Kong Listing Rules to be sent by the Company to the Hong Kong Stock Exchange shall be in the English language, or accompanied by a signed certified English translation. Information disclosed by the Company in other public media shall not be released prior to its disclosure in the designated newspapers and websites, and news releases or press conferences shall not be used as a substitute for a Company's announcement.

The Board of Directors is entitled to decide on the adjustment of the designated media for the Company's information disclosure, provided that it shall ensure that the designated media for information disclosure comply with the qualifications and conditions prescribed by the relevant laws and regulations of the Mainland and Hong Kong, as well as the securities regulatory authorities of the State Council, overseas regulatory authorities, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the relevant regulatory authorities. The Company designates the media/websites specified by the CSRC and the stock exchange(s) where the Company's shares are listed as the media for publishing 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 183** A merger of the Company may take the form of a merger by absorption or a merger by new establishment.

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

**Article 184** Subject to the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the applicable requirements of relevant regulatory authorities, if the Company merges with a company in which it holds 90% or more of the shares, the company being merged is not required to obtain a resolution of the general meeting, but shall notify the other shareholders, who shall have the right to request the Company to acquire their equity interests or shares at a reasonable price.

If the consideration paid by the Company for a merger does not exceed 10% of the Company's net assets, a resolution of the general meeting may not be required.

If the Company merges in accordance with the provisions of the preceding two paragraphs without a resolution of the general meeting, the merger shall be subject to a resolution of the Board of Directors.

**Article 185** In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days from the date of the resolution on the merger and shall, within thirty (30) days, make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System. Creditors may, within thirty (30) days from receiving the notice, or within forty-five (45) days from the date of the announcement for those who did not receive the notice, demand that the Company repay its debts or provide a corresponding guarantee.

**Article 186** In the event of a merger, the claims and debts of each party to the merger shall be assumed by the surviving company or the newly established company.

**Article 187** If the Company is divided, its property shall be divided accordingly.

If the Company is divided, it shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days from the date of the resolution on the division and shall, within thirty (30) days, make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System.

**Article 188** The debts of the Company prior to its division shall be borne by the companies resulting from the division under joint and several liability. However, this shall not apply where a written agreement on the settlement of debts has been reached between the Company and its creditors before the division.

**Article 189** The Company must prepare a balance sheet and an inventory of assets when it needs to reduce its registered capital.

The Company shall notify its creditors within ten (10) days from the date of the resolution to reduce its registered capital and shall, within thirty (30) days, make an announcement in a newspaper or on the National Enterprise Credit Information Publicity System. Creditors shall, within thirty (30) days from receiving the notice, or within forty-five (45) days from the date of the announcement for those who did not receive the notice, have the right to demand that the Company repay its debts or provide a corresponding guarantee.

When the Company reduces its registered capital, it shall reduce the capital contributions or shares of the shareholders in proportion to their shareholdings, unless otherwise provided by law or the Articles of Association. The registered capital of the Company after a capital reduction shall not be lower than the statutory minimum.

**Article 190** If the Company still has losses after making up for losses in accordance with the provisions of the second paragraph of Article 161 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 losses, the Company shall not make distributions to shareholders, nor shall it exempt shareholders from their obligations to pay capital contributions or share payments.

If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of the second paragraph of Article 189 of the Articles of Association shall not apply, but an announcement shall be made in a newspaper or on the National Enterprise Credit Information Publicity System within thirty (30) days from the date of the resolution of the general meeting to reduce the registered capital.

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 common reserve fund and the discretionary common reserve fund reaches 50% of the Company's registered capital.

**Article 191** If the registered capital is reduced in violation of the Company Law and other relevant provisions, shareholders shall return the funds they have received, and where shareholders' capital contributions have been reduced or waived, the original position shall be restored; if losses are caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

**Article 192** When the Company issues new shares to increase its registered capital, shareholders shall not have pre-emptive subscription rights, unless otherwise provided in the Articles of Association or decided by a resolution of the general meeting.

**Article 193** If the registration matters of the Company change due to a merger or division, the Company shall apply for a change in registration with the company registration authority in accordance with the laws; if the Company is dissolved, it shall apply for cancellation of its registration in accordance with the laws; if a new company is established, it shall apply for registration of its establishment in accordance with the laws.

If the registered capital of the Company is increased or decreased, the change shall be registered with the company registration authority in accordance with the laws.

### Section 2 Dissolution and Liquidation

**Article 194** The Company shall be dissolved for the following reasons:

(1) the expiration as stipulated in the Articles of Association or the occurrence of other events of dissolution as stipulated in the Articles of Association;

(2) dissolution resolved by the general meeting;

(3) dissolution is necessary due to a merger or division of the Company;

(4) the business license of the Company is revoked, or the Company is ordered to close down or be revoked in accordance with the laws;

(5) the Company runs deep into difficulties in operation and management, its continuous existence may cause material losses to shareholders' interests, and such difficulties cannot be solved in other ways, the shareholders holding 10% or more of total voting rights of the Company may request the people's court to dissolve the Company.

If the Company has the events of dissolution specified in the preceding paragraph, it shall, within ten (10) days, publicize the events of dissolution through the National Enterprise Credit Information Publicity System.

**Article 195** In the event of items (1) or (2) of Article 194 of the Articles of Association, and the Company has not yet allocated assets to the shareholders, it may continue to exist by amending the Articles of Association or upon resolutions of the general meeting.

Amendments to the Articles of Association in accordance with the preceding paragraph shall be adopted by a vote of two-thirds or more of the voting shares held by all shareholders.

**Article 196** Where the Company is dissolved pursuant to items (1), (2), (4) or (5) of Article 194 of the Articles of Association, it shall establish a liquidation group for liquidation within fifteen (15) days after the events of dissolution arise. The liquidation group shall be composed of directors or any other persons determined by a general meeting. If a liquidation group is not established within the stipulated period or if the liquidation is not carried out after the establishment of the liquidation group, the interested parties may apply to the people's court for setting up a liquidation group with designated relevant personnel to conduct the liquidation.

**Article 197** During the liquidation period, the liquidation group shall exercise the following functions and powers:

(1) to clean up the assets of the Company and prepare a balance sheet and an inventory of assets separately;

(2) to notify creditors and make a public announcement;

(3) to deal with the outstanding liquidation-related business of the Company;

(4) to pay outstanding taxes as well as taxes arising in the course of the liquidation;

(5) to settle creditors' rights and debts;

(6) to allocate the Company's remaining assets after the repayment of debts;

(7) to represent the Company in any civil proceedings.

**Article 198** The liquidation group shall notify the creditors within ten (10) days from the date of its establishment and issue a public announcement in newspapers or on the National Enterprise Credit Information Publicity System within sixty (60) days. The creditors shall declare their rights to the liquidation group within thirty (30) days from receipt of the notification or within forty-five (45) days from the date of the public announcement if they do not receive the notification.

Creditors, when filing their claims, shall state those claim-related issues and provide supporting documentation thereon. The liquidation group shall register such claims.

The liquidation group shall not settle the debts to creditors during the creditors' claim period.

**Article 199** After the liquidation group has liquidated the assets of the Company and has compiled a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit it to the general meeting or the people's court for confirmation.

After the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes, and the debts owed by the Company, the remaining assets of the Company shall be distributed to the shareholders in proportion to their shareholding.

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

**Article 200** Upon liquidation of the Company's property and preparation of the required balance sheets and inventory of assets, if the liquidation group becomes aware that the Company does not have sufficient assets to meet its liabilities, it must apply to the people's court for a bankruptcy liquidation in accordance with the laws.

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

**Article 201** Upon completion of the liquidation of the Company, the liquidation group shall prepare a liquidation report and submit it to the general meeting or the people's court for confirmation, and submit it to the company registration authority to apply for the cancellation of registration of the Company.

**Article 202** Members of the liquidation group shall perform liquidation duties and bear the duties of loyalty and diligence.

If members of the liquidation group neglect to perform their liquidation duties and cause losses to the Company, they shall be liable for compensation. If members of the liquidation group cause losses to the Company or its creditors due to willful misconduct or gross negligence, they shall be liable for compensation.

**Article 203** If the Company is declared bankrupt in accordance with laws, bankruptcy liquidation shall be conducted in accordance with the relevant enterprise bankruptcy laws.

## CHAPTER X AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

(1) Following the amendment to the Company Law or relevant laws, administrative regulations, the Hong Kong Listing Rules, and the securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles of Association contradict the provisions of the amended laws or administrative regulations;

(2) There is any change to the Company's particulars which results in inconsistency with the matters set out in the Articles of Association;

(3) The general meeting decides to amend the Articles of Association.

**Article 205** If the amendment to the Articles of Association adopted by a resolution of the general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of corporate registration, the registration of the changes shall be made in accordance with the laws.

**Article 206** The Board of Directors shall amend the Articles of Association in accordance with the resolution of the general meeting on the amendments to the Articles of Association and the approval opinions of the relevant competent authorities.

**Article 207** If amendments to the Articles of Association constitute information required to be disclosed by laws and regulations, they shall be announced in accordance with regulations.

## CHAPTER XI SUPPLEMENTARY PROVISIONS

**Article 208** Definitions

(1) Controlling shareholder means a shareholder who holds more than 50% of the total share capital of the Company; or a shareholder whose proportion of shareholding, although less than 50%, carries voting rights sufficient to exert a material influence on the resolutions of the general meeting; or shall have the meaning ascribed to it under the Hong Kong Listing Rules.

(2) De facto controller means a person who is able to actually control the conduct of the Company through investment relationships, agreements or other arrangements.

(3) Connected relationship means the relationship between the Company's controlling shareholder, de facto controller, directors, or senior management and the enterprises directly or indirectly controlled by them, as well as other relationships that may lead to a transfer of the Company's interests, or shall have the meaning ascribed to it under the Hong Kong Listing Rules. However, state-controlled enterprises shall not be deemed to have a connected relationship solely because they are both controlled by the state.

(4) Controlling subsidiary of the Company refers to a corporate entity in which the Company holds 50% or more of its shares, or is able to decide on the appointment of half or more of the members of its board of directors, or is able to exercise actual control through agreements or other arrangements.

(5) Yuan, unless otherwise specified in the Articles of Association, refers to Renminbi Yuan, the lawful currency of the People's Republic of China.

(6) Uncertificated Securities Market Rules means the Securities and Futures (Uncertificated Securities Market) Rules (Cap. 571AS of the Laws of Hong Kong), as amended from time to time.

(7) Approved Securities Registrars Rules means the Securities and Futures (Approved Securities Registrars) Rules (Cap. 571AT of the Laws of Hong Kong), as amended from time to time.

(8) Code of Conduct for Approved Securities Registrars means the Code of Conduct for Approved Securities Registrars published by the Securities and Futures Commission of Hong Kong, as amended from time to time.

(9) Approved securities registrar, prescribed securities and uncertificated securities registration and transfer system shall have the respective meanings or descriptions ascribed to them in the Securities and Futures Ordinance. In the process of delisting, participating securities and system-member shall have the respective meanings ascribed to them in the Uncertificated Securities Market Rules.

(10) Certificated form, in relation to any prescribed securities, means that such securities are not held in uncertificated form.

(11) Uncertificated form, in relation to any prescribed securities, means that such securities are recorded in the register of holders of such securities as held in uncertificated form; in the case of H Shares, such register is the H Shares register.

(12) Specified request, in relation to any prescribed securities, means a request for registration of a transfer of such securities, which consists of authenticated message, provided that, to the extent permitted by the issuer of such securities under Rule 13(3) of the Uncertificated Securities Market Rules, written instructions may replace the corresponding authenticated message therein.

(13) Dematerialization means the conversion from certificated form to uncertificated form; and rematerialization means the conversion from uncertificated form to certificated form.

(14) Operating rules of the Company's approved securities registrar means the rules, procedures and requirements (regardless of how they are described) laid down by that registrar in respect of the use of the facilities provided by it, including the operating rules of the facilities used for evidencing and transferring legal title to H Shares or for sending and receiving authenticated message.

(15) H Shares Register means, in the provisions of the Articles of Association relating to the uncertificated securities market regime, the register of holders of H Shares, or the corresponding part of the register of holders of H Shares, kept in Hong Kong recording the holders of H Shares and their holdings of H Shares, excluding any register or corresponding part thereof relating solely to unlisted shares.

(16) Authenticated message shall have the meaning ascribed to it in the Uncertificated Securities Market Rules.

(17) Participation date means the date on which the Company's H Shares are first listed on the Hong Kong Stock Exchange, being the date on which the Company's H Shares become participating securities.

(18) HKSCC means Hong Kong Securities Clearing Company Limited.

(19) Hong Kong Stock Exchange or the SEHK means The Stock Exchange of Hong Kong Limited.

(20) Securities and Futures Ordinance or SFO means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time.

**Article 209** The term "accounting firm" as used in the Articles of Association shall have the same meaning as "auditor". Unless otherwise expressly specified by relevant national laws, administrative regulations and relevant regulatory rules of the place where the Company's shares are listed, the term "independent non-executive director" as used in the Articles of Association shall have the same meaning as "independent director".

**Article 210** The Board of Directors may, in accordance with the provisions of the Articles of Association, formulate bylaws. Such bylaws shall not conflict with the provisions of the Articles of Association.

**Article 211** The Articles of Association are written in Chinese. In the event of any discrepancy between any other language version or different version of the Articles of Association and the Articles of Association, the Chinese version most recently approved for registration or filing with the company registration authority shall prevail.

**Article 212** In the Articles of Association, the terms "not less than", "within", and "not more than" are inclusive of the number itself; the terms "exceeding", "less than", "other than", "below", and "more than" are exclusive of the number itself.

**Article 213** The Board of Directors shall be responsible for the interpretation of the Articles of Association.

**Article 214** The appendices to the Articles of Association include the "Rules of Procedure for General Meetings" and the "Rules of Procedure for the Board of Directors".

**Article 215** The Articles of Association, having been considered and approved by the general meeting of the Company, shall become effective and be implemented from the date on which the overseas listed shares (H Shares) initially and publicly issued by the Company are listed and traded on the Hong Kong Stock Exchange. From the effective date of the Articles of Association, the Company's currently effective articles of association and their amendments shall automatically become void.

**Article 216** Where the Articles of Association is inconsistent with the laws and regulations, the provisions of the laws and regulations shall prevail. Any matters not covered in the Articles of Association shall be handled in accordance with applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, and relevant regulations of the Hong Kong securities regulatory authorities, taking into account the actual circumstances of the Company. In the event of any conflict between the Articles of Association and any applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, the Securities and Futures Ordinance, the Uncertificated Securities Market Rules or relevant regulations of the Hong Kong securities regulatory authorities promulgated and implemented after the Articles of Association come into effect, such applicable laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules or relevant regulations of the Hong Kong securities regulatory authorities shall prevail.

(1) For so long as the H Shares are prescribed securities, unless otherwise provided by applicable laws, where any provision of the Articles of Association relating to H Shares conflicts or is inconsistent with any provision of the uncertificated securities market regime, whether such provision of the regime is mandatory or enabling, the provisions of the regime shall prevail to the extent of such conflict or inconsistency.

(2) To the extent applicable as described in the preceding paragraph, where the Articles of Association does not provide for any matter provided for under the uncertificated securities market regime, whether such matter is required or permitted by the provisions of the regime, the Articles of Association shall be deemed to require or permit such matter, as the case may be.

(3) For the purposes of items (1) and (2) of this Article, the provisions of the uncertificated securities market regime means all laws, rules or regulations governing the evidencing, transfer, dematerialization, rematerialization or registration of ownership of prescribed securities, and include: (1) the Securities and Futures Ordinance; (2) any rules made under the Securities and Futures Ordinance, including the Uncertificated Securities Market Rules and the Approved Securities Registrar Rules; (3) the Code of Conduct for Approved Securities Registrars; (4) any rules made by the Hong Kong Stock Exchange under section 23 of the Securities and Futures Ordinance, including the Hong Kong Listing Rules; (5) any rules made by HKSCC under section 40 of the Securities and Futures Ordinance, including the General Rules of HKSCC and the Operational Procedures of HKSCC; and (6) the operating rules of the Company's approved securities registrar.