

Articles of Association
of
Shenzhen Hipine Precision Technology Co., Ltd.

May 11, 2026

TABLE OF CONTENTS

Chapter 1	General	3
Chapter 2	Business Tenet and Scope	5
Chapter 3	Share	6
Section 1	Issuance of Shares	6
Section 2	Shares Increase, Decrease, and Repurchase	8
Section 3	Share Transfer	11
Chapter 4	Shareholder and Shareholders' Meeting	12
Section 1	Shareholder	12
Section 2	General Provisions of Shareholders' Meetings	17
Section 3	Convening of Shareholders' Meetings	24
Section 4	Proposals and Notices for Shareholders' Meetings	26
Section 5	Convening of Shareholders' Meetings	28
Section 6	Voting and Resolutions of Shareholders' Meetings	33
Chapter 5	Board of Directors	39
Section 1	Directors	39
Section 2	Board of Directors	45
Section 3	Independent directors	51
Chapter 6	General Manager and Other Officers	52
Chapter 7	Financial Accounting System, Profit Distribution and Audit	54
Section 1	Financial Accounting System	54
Section 2	Profit Distribution System	55
Section 3	Internal Audit	56
Section 4	Appointment of Accounting Firm	57
Chapter 8	Notices and Announcements	57
Chapter 9	Merger, Division, Increase and Decrease of Capital, Dissolution and Liquidation	59
Section 1	Merger, Division, Increase or Decrease of Capital	59
Section 2	Dissolution and Liquidation	60
Chapter 10	Information Disclosure and Investor Relations Management	63
Section 1	Information Disclosure	63
Section 2	Investor Relations Management	63
Chapter 11	Supplementary Provisions	65

Chapter 1 General

Article 1 For the purpose of safeguarding the legitimate rights and interests of Shenzhen Hipine Precision Technology Co., Ltd. (hereinafter referred to as the “**Company**”), its shareholders, employees and creditors, and regulating the organization and conduct of the Company, these Articles of Association (hereinafter referred to as the “**Articles**”) are hereby 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 Measures for the Administration of Overseas Offering and Listing of Securities by Domestic Enterprises*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the “**Hong Kong Listing Rules**”), and by reference to other relevant provisions including the *Guidelines for Articles of Association of Listed Companies*.

Article 2 The Company is a company limited by shares established in accordance with the Company Law and other relevant regulations.

The Company was established by way of promotion through the overall transformation of Shenzhen Zunshang Watch Co., Ltd.

The Company is duly registered with the Shenzhen Municipal Market Supervision Administration, holding a valid business license with the Unified Social Credit Code of 91440300073366580M.

Article 3 The Company, having completed filing with the China Securities Regulatory Commission (hereinafter referred to as the “**CSRC**”) on May 30, 2025 and obtained approval from The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**SEHK**”) on September 29, 2025, has conducted its initial public offering of 10,600,000 overseas listed ordinary shares (hereinafter referred to as the “**H Shares**”) in Hong Kong, China, with a par value of RMB1 per share. The aforementioned H Shares were listed on the Main Board of the SEHK on September 30, 2025.

Article 4 Registered name of the Company: 深圳西普尼精密科技股份有限公司

The English name: Shenzhen Hipine Precision Technology Co., Ltd.

The Company’s Domicile: 3701A, Shuibei International Jewelry Center 2901, 99 Beili North Road, Cuijin Community, Cuizhu Subdistrict, Luohu District, Shenzhen, China.

Article 5 The registered capital of the Company is RMB58,825,000.

Article 6 The Company refers to an incorporated company that exists permanently.

Article 7 The chairman of the board shall be the legal representative of the Company. If the chairman who serves as the legal representative resigns, it shall be deemed as resigning from the legal representative simultaneously. Where the legal representative resigns, the Company shall designate a new legal representative within thirty (30) days from the date of resignation.

The legal consequences of civil acts conducted by the legal representative in the Company's name shall be borne by the Company. Any restriction on the authority of the legal representative imposed by these Articles of Association or by the shareholders' meeting shall not be enforceable against a bona fide third party. Where the legal representative causes damage to others in the course of performing their duties, the Company shall assume civil liability. After assuming civil liability, the Company may, in accordance with applicable laws or the provisions of the Articles, seek recourse against the legal representative at fault.

Article 8 The Company's all assets are divided into shares with equal amount and the shareholders shall bear responsibilities for the Company based on the shares they subscribe respectively; the Company shall be liable for the Company's debts with all assets.

Article 9 The Articles shall, upon taking effect, become the documents that regulate the Company's organization and conduct and legally bind the rights and obligations between the Company and its shareholders, and among shareholders, as well as those of the Company, shareholders, directors and officers.

Disputes involving with the Articles between the Company, shareholders, directors and officers shall be solved through consultation in the first place. If consultation fails, the matter may be resolved by filing a lawsuit with the competent people's court in the place where the Company is registered. The shareholders may, in strict accordance with the Articles, file a lawsuit against other shareholders or the Company's directors or officers. The shareholders may file a lawsuit against the Company, and the Company can file a lawsuit against shareholders, directors or officers.

Article 10 The officers mentioned in the Articles refer to the general manager, deputy general manager, secretary of the board of directors, financial officer, and other senior executives recognized by the board of directors of the Company.

Article 11 The Company shall, according to the Constitution of the Chinese Communist Party, establish the branch of the Chinese Communist Party and carry out activities of the Chinese Communist Party. The Company shall provide necessary conditions to facilitate the activities of the branch of the Chinese Communist Party.

Chapter 2 Business Tenet and Scope

Article 12 The Company's business purpose: In accordance with national laws, regulations, and other relevant provisions, the Company relies on modern management practices and advanced science and technology to fully leverage local conditions and existing advantages, and is committed to comprehensively enhancing product development capabilities, achieving sustained, healthy, and stable growth, creating first-class operational performance, continuously pursuing economic benefits, and maximizing returns for the state, society, and all shareholders.

Article 13 Upon registration in accordance with the law, the Company's business scope includes the following general business activities: Research, development, design, and sales of gold watches, K-gold watches, platinum watches, silver watches, precious metal watches, jewelry-inlaid watches, timepieces, precious metal smart wearable electronic devices, gold products, platinum, K-gold, and jewelry; research and development of hard gold products and hard gold composite materials; the technical development and sales of software; Domestic trade (excluding exclusive dealing, exclusive sale, and state-controlled commodities); import and export business; research & development and sales of movements, watch cases, watch bands, and clock & watch parts; purchase and sale of gifts and handicrafts; watch repair; brand franchise management; brand promotion and marketing planning. (Activities prohibited by laws, administrative regulations, and State Council decisions are excepted; restricted activities require approval before operation) Sales of wearable smart devices; manufacturing of wearable smart devices; plastic surface treatment; metal surface treatment and heat treatment processing; sales of electronic products; research and development of machinery equipment; manufacturing of special-purpose equipment (excluding licensed specialized equipment manufacturing); sales of machinery equipment; health consulting services (excluding diagnostic and treatment services); social economic consulting services; internet sales (excluding sales of goods that require a license). (Except for activities that must be approved according to law, business activities are carried out independently and lawfully based on the business license.) The permitted business activities are: Production of gold watches, K-gold watches, platinum watches, silver watches, precious metal watches, jewelry-inlaid watches, clocks and watches, precious metal smart wearable electronic devices, gold products, platinum, K-gold, and jewelry; production of movements, watch cases, watch bands, and clock and watch parts. (Activities subject to approval according to law, business activities may be carried out only after approval by relevant authorities, and the specific business activities shall be subject to the approval documents or licenses issued by relevant authorities)

Chapter 3 Share

Section 1 Issuance of Shares

Article 14 The Company's shares shall be in the form of registered shares. The H-shares issued by the Company shall be primarily deposited with the custodian companies under Hong Kong Securities Clearing Company Limited, or may be held by shareholders in their personal names.

Article 15 The Company shall release shares on the principle of openness, fairness and justice and each share of the same class shall have equal rights.

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

If the issuance of new shares is authorized by the Articles or a resolution of the shareholders' meeting to be decided by the board of directors, the board resolution shall be adopted by the affirmative vote of at least 2/3 of all directors.

Article 16 The shares issued by the Company shall be denominated in Renminbi, with a par value of RMB One Yuan per share.

The term "**Renminbi**" mentioned in the preceding paragraph refers to the legal currency of the People's Republic of China (hereinafter referred to as "**China**").

All classes of ordinary shares issued by the Company (domestically non-listed shares and overseas-listed shares) shall enjoy equal rights in any distributions made in the form of dividends or otherwise.

Article 17 The overseas-listed shares issued by the Company shall be centrally deposited with the local share registration institution.

Upon approval and filing by the China Securities Regulatory Commission and consent from The Stock Exchange of Hong Kong Limited, all or part of the Company's domestically non-listed shares may be converted into overseas-listed shares, and such converted overseas-listed shares may be listed and traded on overseas stock exchanges. The shares converted shall comply with the regulatory procedures, provisions and requirements of the overseas securities market when listed and traded on overseas stock exchanges.

The conversion of domestically non-listed shares into overseas-listed shares and their listing and trading on overseas stock exchanges shall not require a vote at a shareholders' meeting.

Article 18 As of December 31, 2015, the audited net assets of the Company's promoters were converted into 33 million shares of the joint-stock company, with a par value of RMB1 per share. The portion of net assets not converted into shares was recorded as capital reserve of the joint-stock company. Each promoter contributed the portion of net assets attributable to their equity interest in Shenzhen Zunshang Watch Co., Ltd. as of December 31, 2015 as their capital contribution.

Article 19 At the time of the Company's establishment, the promoters and their respective shareholding quantities, proportions, and methods of contribution were as follows:

No.	Name of Shareholder	Number of shares held (0,000 shares)	Shareholding ratio (%)	Ways of Capital Contribution
1	Li Yongzhong	990.00	30.00	Contribution by Net Asset Conversion
2	Hu Shaohua	660.00	20.00	Contribution by Net Asset Conversion
3	Li Shuo	660.00	20.00	Contribution by Net Asset Conversion
4	Li Linmao	660.00	20.00	Contribution by Net Asset Conversion
5	Shenzhen Qianhai Zunshang Equity Investment Partnership (Limited Partnership)	295.35	8.95	Contribution by Net Asset Conversion
6	Li Yangjin	29.70	0.90	Contribution by Net Asset Conversion
7	Wang Qingqing	4.95	0.15	Contribution by Net Asset Conversion
Total		3,300.00	100.00	

Upon completion of the initial public offering of H-shares, the share capital structure of the Company shall be as follows: 58,825,000 ordinary shares, comprising: 58,825,000 H shares and 0 domestically non-listed shares.

Article 20 Upon completion of the H Share issuance and listing, the total number of shares of the Company shall be 58,825,000 shares, all of which are ordinary shares with no other share classes.

Article 21 Neither the Company nor its subsidiaries (including the Company's affiliated enterprises) shall provide any financial assistance in the form of gifts, advances, guarantees, loans, to provide financial assistance for any person to acquire shares of the Company, except for the implementation of the Company's employee share ownership plan.

Based on the premise that it complies with the securities regulatory rules of the place where the Company's shares are listed, is in the interests of the Company, and has been approved by a resolution of the shareholders' meeting or by a resolution of the board of directors authorized by the Articles or the shareholders' meeting, the Company may provide financial assistance for the acquisition of its shares by others, but the aggregate amount of financial assistance shall not exceed 10% of the total issued share capital. The resolution made by the board of directors shall be adopted with the approval of more than two-thirds of all directors.

In the event of a violation of the preceding two provisions that causes losses to the Company, the liable directors and officers shall be liable for compensation.

Section 2 Shares Increase, Decrease, and Repurchase

Article 22 Based on its operating and development needs and in compliance with applicable laws and regulations, the Company may increase its registered capital through the following methods upon resolutions passed by the shareholders' meeting:

- (1) A public offering of shares that has fulfilled the statutory procedures;
- (2) Non-public offering of shares;
- (3) Issue of stock dividends to existing shareholders;
- (4) Conversion of capital reserve into share capital; and
- (5) Other methods stipulated by laws and administrative regulations, or approved by the securities regulatory authorities of the place where the Company's shares are listed, the China Securities Regulatory Commission, or The Stock Exchange of Hong Kong Limited.

Subject to the provisions of laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed, the board of directors may, based on the authorization of the shareholders' meeting, decide within three years to issue shares not exceeding 50% of the already issued shares. However, if capital contributions are made in the form of non-monetary assets, such contributions shall be subject to a resolution by the shareholders' meeting.

Subject to the provisions of laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed, if the board of directors' decision to issue shares in accordance with the preceding provisions results in changes to the Company's registered capital or the number of issued shares, an amendment to the corresponding provision of the Articles reflecting such changes shall not require a separate resolution by the shareholders' meeting. However, the board resolution must be passed by 2/3 or more of all directors.

Article 23 The Company may reduce its registered capital. Any reduction in registered capital shall be conducted in accordance with the procedures stipulated by the Company Law, other relevant regulations, and the Articles.

Article 24 The Company shall not acquire its own shares. However, this shall not apply under any of the following circumstances:

- (1) Reducing the Company's registered capital;
- (2) Merging with other companies that hold the Company's shares;
- (3) Use of shares for employee stock ownership plans or equity incentive schemes;
- (4) Acquiring the shares upon request by shareholders who vote against any resolution adopted at the shareholders' meeting on the merger or demerger of the Company;
- (5) Use of shares for the conversion of corporate bonds convertible into equity issued by the Company;
- (6) Where the Company needs to acquire its own shares to maintain its corporate value and the rights and interests of shareholders; or
- (7) Other circumstances under which the Company may acquire its own shares as permitted by laws, administrative regulations, department rules, normative documents, the Hong Kong Listing Rules, or other securities regulatory rules of the place where the Company's shares are listed.

If the Company acquires its own shares under the circumstances specified in Items 1 or 2 of the preceding paragraph, such acquisition shall be subject to a resolution by the shareholders' meeting. If the Company acquires its own shares under the circumstances specified in Items 3, 5, or 6 of the preceding paragraph, such acquisition shall be subject to a resolution adopted at a board meeting attended by 2/3 or more of all directors.

After the Company has acquired its shares in accordance with the provision of Paragraph 1 of this Article, if such repurchase falls under subparagraph (1), the repurchased shares shall be canceled within ten days from the date of acquisition; if such repurchase falls under subparagraphs (2) and (4), the repurchased shares shall be transferred or canceled within six months; if such repurchase falls under subparagraphs (3), (5) and (6), the total number of the shares held by the Company shall not exceed 10% of its total issued share capital, and such shares shall be either transferred or canceled within three years.

The company is not allowed to trade the Company's shares except for the circumstances stated above.

Article 25 The Company may acquire its own shares through open market centralised trading methods, or by other means permitted by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the China Securities Regulatory Commission (if required).

If the Company acquires its own shares under the circumstances specified in Items (3), (5), or (6) of Paragraph 1 of Article 24 of the Articles, such acquisition shall be conducted through open market centralised trading methods, provided that it complies with the requirements of the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

After the Company acquires its own shares, it shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, rules, normative documents, and the Hong Kong Listing Rules and other relevant regulations. If the relevant regulatory rules of the place where the Company's shares are listed have separate provisions regarding matters related to share repurchases, such provisions shall prevail.

Section 3 Share Transfer

Article 26 The shares of the Company may be transferred in accordance with law.

All transfers of H Shares shall be effected by an instrument of transfer in a common or usual form or in any other form which is acceptable to the board of directors (including the standard instrument of transfer or transfer form prescribed by The Stock Exchange of Hong Kong Limited from time to time); and such written instrument of transfer shall be executed only by hand signature or under its common seal (if the transferor or transferee is a corporation). If the transferor or the transferee is a recognized clearing house or its agent as defined by the relevant ordinances in effect in Hong Kong from time to time, the written instrument of transfer may be executed either by hand signature or by mechanical means. All written instruments of transfer shall be kept at the registered office of the Company or at such other place as the board of directors may from time to time determine.

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

Article 28 Shares issued prior to the Company's public offering shall not be transferred within one year from the date of listing and trading of its shares on the stock exchange.

The directors and officers of the Company shall report to the Company their shareholdings in the Company and any changes therein. The shares of the Company held by them shall not be transferable within one year from the date of listing and trading of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited. During their term of office, they may not transfer more than 25% of the total shares of the Company held by them each year. The aforesaid persons may not transfer the shares of the Company held by them within six months after leaving their posts. If shares are pledged during the restricted transfer period stipulated by laws or administrative regulations, the pledgee shall not be entitled to exercise the pledge rights during such restricted transfer period.

If laws, regulations, department rules, normative documents, and the relevant provisions of The Stock Exchange of Hong Kong Limited stipulate otherwise regarding the share lock-up period, such provisions shall also be complied with.

Article 29 Any gains from sale of shares in the Company by any directors, officers or shareholders holding 5% or more of the shares in the Company within 6 months of their purchase, and any gains from purchase of shares in the Company by any of the aforesaid parties within 6 months after their sale, shall belong to the Company and the board shall recover such proceeds from the above mentioned parties. However, this shall not apply to securities companies holding 5% or more of the shares due to purchasing the remaining stocks after underwriting, or other circumstances specified by the China Securities Regulatory Commission and the securities regulatory authorities of the place where the Company's shares are listed.

This restriction shall not apply to shares or other securities of an equity nature held by directors, officers, and shareholders of natural persons referred to in the preceding paragraph, including those held by their spouses, parents, and children, and those held by utilizing the accounts of others.

If the Company's board of directors fails to comply with the provision of the first paragraph of this Article, the other shareholders shall have the right to require the board of directors to comply. If the board of directors fails to comply within the time limit, a shareholder shall have the right to directly institute an action in a people's court in the name of the shareholder for the sake of the Company.

If the board of directors of the Company fails to comply with the provision of Paragraph 1 of this Article, the responsible directors shall be jointly and severally liable in accordance with the law.

Chapter 4 Shareholder and Shareholders' Meeting

Section 1 Shareholder

Article 30 The Company shall establish a register of shareholders on the basis of the certificates provided by the securities registration authority. The register of shareholders shall serve as conclusive evidence of a shareholder's ownership of the Company's shares. The shareholders shall enjoy rights and undertake obligations as per the class of shares held; the shareholders holding the same kind of share shall enjoy the same rights and undertake the same obligations.

The register of shareholders shall include the following parts:

- (1) the register of shareholders maintained at the Company's corporate domicile (other than those registers of shareholders as described in subparagraphs (2) and (3) of this Article);
- (2) The register of the Company's H-share Holders kept at the place where the Company's shares are listed; and
- (3) the register of shareholders maintained at such other place as the board of directors may consider necessary for the purpose of listing of the Company's shares.

Article 31 The original copy of the Register of H-share Holders shall be kept in Hong Kong and be available for inspection by shareholders. However, the Company may, in accordance with applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, suspend the registration of share transfers.

Any shareholder registered in the register of shareholders or any person requesting to be registered in the register of shareholders may, if his/her share certificate is lost, apply to the Company for the replacement of a new share certificate in respect of such shares. If a holder of the domestic shares loses his/her share certificates and applies for their replacement, it shall be dealt with in accordance with the relevant requirements of the Company Law. If an H-share holder loses his/her share certificates and applies for their replacement, it may be dealt with in accordance with the relevant laws, the rules of the stock exchange and other relevant regulations of the place where the original register of shareholders of overseas-listed foreign-invested shares is maintained.

In addition to those provided in the Company Law, a share certificate of the Company shall also contain any other items required to be specified by the stock exchange(s) on which the shares of the Company are listed.

Article 32 When the Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation or engages in other activities that require confirmation of the identity of shareholders, the board of directors or the convener of the shareholders' meeting shall determine the date of registration of shareholdings, and the shareholders who are registered after the close of the market on the date of registration of shareholdings shall be the shareholders who are entitled to the relevant rights and interests.

Article 33 The shareholders of the Company shall enjoy the following rights:

- (1) Obtaining dividends and profits distributed in other forms based on the amount of shares held;
- (2) Requesting, convening, presiding over, attending, or appointing a proxy to attend shareholders' meetings in accordance with the law, and exercising corresponding speaking rights and voting rights (unless required to abstain from voting on specific matters under the Hong Kong Listing Rules);
- (3) Supervising the Company's operation and bringing forth suggestions or inquiry;
- (4) Transferring, gifting, or pledging the shares held by them in accordance with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the provisions of the Articles;
- (5) Consulting or making copies of the Articles, register of shareholders, minutes of shareholders' meeting, resolution of the meeting of the board of directors and financial and accounting statement;

- (6) Participating in the distribution of the residual assets in proportion to their respective shareholdings upon termination or liquidation of the Company;
- (7) Requesting the Company to purchase the shares held by the shareholder who disagrees on the merger or division of the Company adopted at shareholders' meeting; and
- (8) Other rights granted by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles.

Any shareholder who individually or jointly holds 3% or more of the Company's shares for 180 consecutive days or more may request to inspect the Company's accounting books and accounting vouchers. Any shareholder requesting to inspect the accounting books and accounting vouchers shall submit a written request to the Company, stating the purpose thereof. If the Company has reasonable grounds to believe that the shareholder's request to inspect the accounting books and vouchers is for an improper purpose and may harm the Company's legitimate interests, it may refuse to provide access and shall provide a written reply to the shareholder stating the reasons for such refusal within 15 days from the date of receiving the shareholder's written request. If the Company refuses to provide access for inspection, the shareholder may file a lawsuit with the People's Court.

A shareholder may engage an accounting firm, law firm, or other intermediary agency to inspect the materials specified in the preceding paragraph on his/her behalf. Shareholders and the accounting firms, law firms, or other intermediary agencies entrusted by them shall comply with laws, administrative regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed regarding the protection of state secrets, trade secrets, personal privacy, and personal information when inspecting or copying relevant materials.

If a shareholder requests to inspect or copy materials of a wholly-owned subsidiary of the Company, the provisions of the preceding two paragraphs shall apply.

The Company shall not deprive or restrict the statutory rights of its shareholders.

Article 34 Where the shareholder requires consulting or making copies of the aforesaid relevant information or asks for the relevant documents, she/he shall show his/her certificate of the kind of his/her shareholding and the share volumes to the Company who shall approve the requirement hereof after the identification of the shareholder has been certified.

Article 35 Where the resolution made at the Company's shareholders' meeting or by the board of directors goes against laws or administrative regulations, shareholders shall have the right to petition the people's court to declare such resolution invalid.

If the procedures for convening the shareholders' meeting and the meeting of the board of directors, as well as the voting mode, violate laws, administrative regulations or the Articles, or if the contents of the resolution violate the Articles, the shareholders may, within sixty days as of the date when the resolution is made, petition the people's court to cancel the resolution. However, this shall not apply if there are only minor defects in the convening procedures or voting methods of shareholders' meetings or board meetings, and such defects do not have a substantive impact on the resolutions.

A shareholder who was not notified to attend a shareholders' meeting may, within 60 days from the date on which such shareholder becomes aware or should have become aware of the adoption of the resolution, petition the People's Court to rescind such resolution. If such petition is not filed within one year from the date on which the resolution was adopted, the right to rescind shall be extinguished.

Article 36 Where the directors other than members of the audit committee and the officers violate the laws, administrative regulations or the provisions of Articles when in the course of their "Company's" duties, thereby causing any loss or losses to the Company, the shareholders who separately or jointly hold the Company's shares for consecutive 180 days or hold more than 1% of the Company's shares shall have the right to petition audit committee, in written form, to file a lawsuit with the people's court; if, however, the members of the audit committee goes against the laws, administrative regulations or the Articles when performing the Company's duties, causing any loss or losses to the Company, the aforementioned shareholders may request the board of directors, in written form, to file a lawsuit with the people's court.

Where the board of directors and audit committee refuse to file a lawsuit after having received the written application as described in the preceding paragraph, or fail to do so within 30 days as of its acknowledgement, or the delayed sue may cause irreparable loss to the Company, the shareholders as prescribed in the preceding paragraph are authorized to file a lawsuit directly with the people's court in their own name.

Where a third party infringes upon the Company's lawful rights and interests, causing any loss or losses to the Company, the shareholders specified in Paragraph 1 of this Article may file a lawsuit with the people's court as per the provisions of the aforesaid two paragraphs.

Where a director, or an officer of a wholly-owned subsidiary of the Company commits an act specified in the preceding Article, or where any other person infringes upon the lawful rights and interests of the wholly-owned subsidiary causing losses to it, any shareholder(s) who individually or jointly hold(s) 1% or more of the Company's shares for 180 consecutive days or more may, according to the provisions of the preceding three paragraphs, request in writing the board of directors of the wholly-owned subsidiary to file a lawsuit with the People's Court, or may directly file a lawsuit in their own name(s) with the People's Court.

Where the director and officers impair the shareholder's interests by going against laws, administrative regulations or the Articles, the shareholder concerned can file a lawsuit with the people's court as per laws.

Article 37 Where a director or an officer causes harm to another person in the performance of their duties, the Company shall be liable for compensation. If the director or officer acted with intent or gross negligence, they shall also be personally liable for compensation.

Where a controlling shareholder or actual controller of the Company instructs a director or officer to engage in conduct that harms the interests of the Company or its shareholders, such controlling shareholder or actual controller shall bear joint and several liabilities with such director or officer.

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

- (1) Comply with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles;
- (2) Pay share capital in accordance with the shares they have subscribed for and the method of share subscription;
- (3) Not to withdraw their capital contributions except under circumstances stipulated by laws, regulations, the Hong Kong Listing Rules, or other securities regulatory rules of the place where the Company's shares are listed;
- (4) Not to abuse shareholder rights to harm the interests of the Company or other shareholders; nor abuse the Company's independent legal entity and the limited liability of shareholders to harm the interests of the Company's creditors; and
- (5) Other obligations stipulated by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Where a shareholder of the Company abuses his/her right or causes any loss or losses to the rest shareholders, the shareholder concerned shall undertake the compensation liabilities as per laws. Where a shareholder of the Company avoids debts by abusing the independent status of the Company's legal person and the shareholder's limited liabilities, which impairs seriously the interests of the Company's creditors, the shareholder concerned shall bear joint and several liabilities for the Company's debts.

Article 39 Shareholders holding 5% or more of the Company's voting shares shall submit a written report to the Company on the same day when pledging their shares.

Article 40 The Company's controlling shareholders or actual controller is not allowed to impair the Company's interests in virtue of the association relationship. Should the parties above go against relevant regulations, causing any loss or losses to the Company, the default party shall be liable for compensation.

The Company's controlling shareholders and actual controller shall owe a duty of good faith to the Company and its shareholders honestly. The controlling shareholders and actual controllers of the Company shall not impair the legitimate rights and interests of the Company and other shareholders by any means. If a controlling shareholder or actual controller violates relevant laws, regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles, causing losses to the Company or other shareholders, they shall be liable for compensation.

Article 41 The company shall actively take measures to prevent shareholders and their related parties from misappropriating or transferring the Company's funds, assets, and other resources.

Section 2 General Provisions of Shareholders' Meetings

Article 42 The shareholders' meeting is an authority of the Company and shall exercise the following functions and powers in accordance with laws:

- (1) Electing and replacing the directors, and determining the remuneration of relevant directors;
- (2) Examining and approving the reports of the board of directors;
- (3) Reviewing and approving the plans for profit distribution of the Company and plans for making up losses;

- (4) Making resolutions regarding the increase/decrease of the Company's registered capital;
- (5) Making resolutions regarding the issuance of corporate bonds;
- (6) Making resolutions regarding the merger, division, dissolution, liquidation or form change of the Company;
- (7) Amending the Articles;
- (8) Making resolutions regarding the hiring and dismissal of accounting firms by the Company;
- (9) Deliberating and approving the financial assistance matters specified in Article 43;
- (10) Deliberating and approving the guarantee matters specified in Article 44;
- (11) Deliberating and approving the significant transactions specified in Article 45;
- (12) Deliberating stock option incentive plan;
- (13) Deliberating, approving and altering the proceedings for the usage of the collected fund;
- (14) Deliberating on connected transactions that exceed the board resolution authority of the Company; and
- (15) Deliberating on other matters required by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles to be decided by the shareholders' meeting.

The shareholders' meeting may authorize the director to make decisions on the issuance of corporate bonds. Unless otherwise provided herein, the aforesaid functions of the shareholders' meeting may not be performed by the board of directors or any other body or individual through delegation.

Transactions in which the Company unilaterally obtains benefits, including receiving cash assets as gifts, obtaining debt relief, accepting guarantees and financial assistance, may be exempted from the shareholders' meeting deliberation procedures as required under Item 12 of the paragraph 1 of this Article. Transactions between the Company and its controlling subsidiaries within the scope of its consolidated financial statements, or between such controlling subsidiaries, shall be exempt from the shareholders' meeting deliberation procedures as required under Item 12 of the paragraph 1 of this Article, unless otherwise provided or where such transactions harm the legitimate rights and interests of shareholders.

Article 43 A company's provision of financial assistance to external parties must be submitted to the shareholders' meeting for review and approval under any of the following circumstances:

- (1) The latest asset-to-liability ratio of the recipient exceeds 70%;
- (2) The amount of a single financial assistance provision or the cumulative amount of financial assistance provided over a consecutive 12-month period exceeds 10% of the Company's most recently audited net assets; or
- (3) Other circumstances specified by the China Securities Regulatory Commission, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles.

The company shall not provide funds or other financial assistance to connected parties such as directors, senior officers, controlling shareholders, actual controllers, or enterprises under their control.

If outstanding financial assistance provided to external parties has not been recovered upon its due date, the Company shall not continue to provide or increase financial assistance to the same recipient.

Article 44 The following external guarantee activities of the Company shall be subject to approval by the shareholders' meeting:

- (1) Guarantee, whose single transaction amount exceeds 10% of the Company's most recently audited net assets;
- (2) Any guarantee provided when the total amount of external guarantees of the Company and its controlled subsidiaries exceeds 50% of the Company's latest audited net assets;
- (3) Guarantee provided to the obligor whose asset liability ratio exceeds 70%;

- (4) Guarantees where the cumulative amount calculated on a continuous 12-month basis exceeds 30% of the Company's most recently audited total assets; and
- (5) Other guarantees specified by the China Securities Regulatory Commission, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles.

The Company's provision of a guarantee for a wholly-owned subsidiary, or for a controlled subsidiary where the other shareholders (if any) of such controlled subsidiary provide guarantees in proportion to their respective interests, may be exempted from the provisions of Items (1) to (3) of the paragraph 1 of this Article, provided that such guarantee does not harm the Company's interests.

Where the Company provides a guarantee for a connected party, such guarantee shall be supported by reasonable commercial logic and, shall be submitted to the shareholders' meeting for deliberation after being reviewed and approved by the board of directors.

Where the Company provides a guarantee for a shareholder, actual controller, or any connected party thereof, such guarantee shall be submitted to the shareholders' meeting for deliberation. If the Company provides a guarantee for a controlling shareholder, actual controller, or any connected party thereof, such controlling shareholder, actual controller, or connected party shall provide a counter-guarantee.

Article 45 Transactions entered into by the Company (excluding the provision of guarantees and financial assistance) that meet any of the following criteria shall be submitted to the shareholders' meeting for deliberation:

- (1) The total assets involved in the transaction (if both book value and assessed value exist, the higher value shall prevail) or the transaction amount exceeds 50% of the Company's total assets audited in the most recent fiscal year;
- (2) The net assets involved in the transaction or the transaction amount exceeds 50% of the absolute value of the Company's audited net assets in the most recent fiscal year and is more than RMB50 million; or
- (3) Considering matters in which the purchase or sale of material assets by the Company within one year exceeds 30% of the Company's total audited assets for the most recent period.

The term “transaction” as used in the Articles includes the following matters: purchasing or selling assets; making external investments (including entrusting financial management, investing in subsidiaries, etc., excluding establishing or increasing capital in wholly-owned subsidiaries and purchasing bank wealth management products); providing guarantees (i.e., guarantees provided by the Company for others, including guarantees provided to controlled subsidiaries); providing financial assistance; leasing in or leasing out assets; entering into management contracts (including entrustment agreements, trusteeship agreements, etc.); donating or receiving donated assets; debt or debt restructuring; transferring research and development projects; entering into licensing agreements; waiving rights; and other transactions recognized by laws, regulations, the China Securities Regulatory Commission, or The Stock Exchange of Hong Kong Limited. The aforementioned purchase or sale of assets shall not include transactions related to daily operations, such as the purchase of raw materials, fuel, and power, or the sale of products or goods.

Article 46 The following connected transactions of the Company shall be subject to approval by the shareholders’ meeting:

- (1) Transactions with connected parties where the transaction amount (excluding providing guarantees) exceeds 5% of the Company’s most recently audited total assets and is more than RMB30 million; or
- (2) Transactions exceeding 30% of the Company’s most recently audited total assets.

For the recurring connected transactions to be entered into with connected parties each year, the Company may, prior to the disclosure of the previous year’s annual report, reasonably estimate the total amount of such transactions to be conducted in the current year, and submit the estimated amount to the board of directors or the shareholders’ meeting for approval based on the estimated amount. If the actual amount exceeds the estimate, the Company shall perform the corresponding approval procedures for the matters related to the excess amount.

The Company shall submit the following transactions to the board of directors or the shareholders’ meeting for approval based on the cumulative calculation principle over any consecutive 12-month period:

- (1) Transactions entered into with the same connected party;
- (2) Transactions conducted with different connected parties that involve related subject categories.

The same connected party mentioned above includes any legal entity or other organization that is controlled by the same actual controller as such connected party, or with which there exists a shareholding control relationship, or for which the same natural person serves as a director or officer. Transactions that have already been performed in accordance with the relevant obligations stipulated in the Articles of Association shall not be included in the cumulative calculation.

When the Company enters into the following connected transactions with connected parties, such transactions may be exempted from the deliberation procedures required for connected transactions:

- (1) where one party subscribes for the other party's publicly issued shares, corporate bonds, enterprise bonds, convertible corporate bonds, or other securities by means of cash payment;
- (2) where one party, as a member of the underwriting syndicate, underwrites the other party's public offering of shares, corporate bonds, enterprise bonds, convertible corporate bonds, or other securities;
- (3) where one party receives dividends, profit distributions, or remuneration based on a resolution of the shareholders' meeting of the other party;
- (4) where one party participates in a public tender or auction conducted by the other party, except where the tender or auction is unlikely to result in a fair market price;
- (5) where the Company is the sole beneficiary of a transaction, including receiving cash assets as a gift, obtaining debt relief, receiving guarantees and financial assistance, etc.;
- (6) where the pricing of the connected transaction is stipulated by the state;
- (7) where a connected party provides funds to the Company at an interest rate less than the loan benchmark rate prescribed by the People's Bank of China for the same period, and the Company provides no corresponding guarantee for such financial assistance;
- (8) where the Company provides products and services to directors and senior officers on terms equivalent to those offered to unconnected parties;
- (9) Other transactions recognized by the China Securities Regulatory Commission, the securities regulatory authorities of the place where the Company's shares are listed, or The Stock Exchange of Hong Kong Limited.

Article 47 Shareholders' meetings are classified into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders meeting shall be held once every year, within 6 months after the end of the preceding fiscal year.

The extraordinary shareholders' meeting shall be held within two months when one of the following circumstances occurs:

- (1) The number of directors falls below the statutory minimum number required by the Company Law or 2/3 of the number as specified in the Articles;
- (2) When the Company's accumulated losses reach one-third of its total share capital;
- (3) The shareholders, individually or collectively, holding 10% or more of the voting rights (excluding treasury shares) make a written request;
- (4) The board of directors deems it necessary;
- (5) The audit committee deems it necessary; or
- (6) When the number of independent directors (which has the same meaning as 'independent non-executive directors', the same applies below) is less than the statutory minimum;
- (7) Other circumstances stipulated by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

The number of shares held as mentioned in the aforementioned item 3 shall be determined based on the shareholding on the date when the shareholder submits the written request.

Article 48 The Company shall convene shareholders' meetings at its domicile or at a location designated in the notice convening such meetings. The shareholders' meeting will be held on-site with a designated venue. The timing and location of on-site meetings shall be arranged to facilitate shareholder attendance. The Company shall ensure that shareholders' meetings are conducted lawfully and effectively, and shall provide all necessary conveniences for shareholders to attend such meetings. The shareholders' meeting shall allow reasonable time for the discussion of each proposal. The Company shall also provide additional means such as online or electronic communication for shareholders to attend shareholders' meetings in accordance with the securities regulatory rules of the place where the Company's shares are listed. Shareholders are deemed to be present if they participate in the shareholders' meeting by the above means.

Article 49 When convening a shareholders' meeting, the Company may engage legal counsel to issue legal opinions on the following matters:

- (1) Whether the convening procedures and conduct of the meeting comply with the provisions of laws, administrative regulations and the Articles;
- (2) Whether the qualifications of the persons attending the meeting and the convener are legitimate and valid;
- (3) Whether the voting procedures and voting results of the meeting are legitimate and valid; and
- (4) Issuance of legal opinions on other related issues at the request of the Company.

Section 3 Convening of Shareholders' Meetings

Article 50 The board of directors of the Company shall be liable for convening the shareholders' meeting which shall be presided over by the chairman. Where the chairman is unable or fails to perform the aforesaid duties, one director elected by more than half of directors shall preside over the shareholders' meeting.

Independent directors have the right to propose to the board of directors the convening of an extraordinary shareholders' meeting. Where independent directors propose to convene an extraordinary shareholders' meeting, such proposal shall be deliberated by the dedicated meeting of independent directors and approved by more than half of all independent directors. In response to a proposal from an independent director requesting to call for an extraordinary shareholders' meeting, the board of directors shall, in accordance with the provisions of laws, administrative regulations and the Articles, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary shareholders' meeting within 10 days of receipt of the proposal. Where the board of directors gives consent to convening of an extraordinary shareholders' meeting, a notice on convening of the extraordinary shareholders' meeting shall be issued within five days from passing of a board resolution; where the board of directors does not give consent to convening of an extraordinary shareholders' meeting, it shall state the reason and make an announcement.

Article 51 The audit committee shall have the right to propose to the board of directors to convene an extraordinary shareholders' meeting, and such proposal shall be submitted in writing. The board of directors shall, in accordance with laws, administrative rules and the provisions of the Articles, make written feedback concerning approval or disapproval of the convening of the extraordinary shareholders' meeting within 10 days after receiving the proposal.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening such meeting within five days after the board resolution is made, and any changes to the original proposal in the notice shall be approved by the audit committee.

If the board of directors disapproves the convening an extraordinary shareholders' meeting or fails to make feedback within ten days after receiving the proposal, it shall be deemed unable to perform or fails to perform its duty to convene an extraordinary shareholders' meeting; the audit committee may thereby convene and preside over the meeting on its own initiative.

Article 52 Such shareholders as individually or jointly hold more than 10% of the shares of the Company (excluding treasury shares) have the right to propose in written form the convening of an extraordinary shareholders' meeting to the board of directors. The board of directors shall, in accordance with laws, administrative regulations and the provisions of the Articles, make written feedback concerning approval or disapproval of the convening of the extraordinary shareholders' meeting within 10 days after receiving the request.

If the board of directors agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening such meeting within five days after the board resolution is made. Any change to the original request in the notice shall be subject to approval by the relevant shareholders.

If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to provide a response within 10 days after receiving the request, shareholders who individually or jointly hold more than 10% of the Company's shares (excluding treasury shares) shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting with their request submitted in writing to the audit committee.

If the audit committee agrees to convene an extraordinary shareholders' meeting, it shall issue a notice of convening such meeting within five days upon receiving the request. Any change to the original request contained in the notice shall be subject to the approval by the relevant shareholders.

If the audit committee fails to give notice of such meeting within the prescribed period, it shall be deemed that the audit committee does not convene and preside over such meeting. Shareholders who have individually or jointly held more than 10% of the Company's shares (excluding treasury shares) for more than 90 consecutive days may convene and preside over the meeting on their own. Prior to announcing the resolution of a shareholders' meeting, the shareholders convening the meeting must jointly hold no less than 10% of the shares (excluding treasury shares).

Article 53 If the audit committee or shareholders decide to convene a shareholders' meeting, they must notify the board of directors in writing.

If shareholders decide to convene a shareholders' meeting on their own initiative, their aggregate shareholding must be more than 10% (excluding treasury shares) prior to announcing the resolution of the meeting.

Article 54 For a shareholders' meeting convened by the audit committee or by shareholders on its own initiative, the board of directors and the Company secretary shall provide full cooperation and promptly fulfill information disclosure obligations. The board of directors shall provide the register of shareholders of the Company as of the date of equity registration.

Article 55 All expenses incurred for a shareholders' meeting duly convened by the audit committee or by shareholders on its own initiative pursuant to the law shall be borne by the Company.

Section 4 Proposals and Notices for Shareholders' Meetings

Article 56 The proposal content shall fall within the scope of the functions and powers of the shareholders' meeting, contain a clear topic and specific matters for resolution, and comply with applicable laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the Company's listing jurisdiction, and the relevant provisions of these Articles of Association.

Article 57 When the Company convenes the shareholders' meeting, the board of directors, the audit committee and the shareholders who individually or jointly hold more than 1% of the shares of the Company shall have the right to submit proposals to the Company.

The shareholders who hold more than 1% of the Company's shares individually or jointly may bring forth temporary proposals which shall be submitted to the convener in writing before ten days of the shareholders' meeting. The temporary proposal shall contain a clear topic and specific matters for resolution. The convener shall, within two days upon receipt of the proposal, issue a supplementary notice for the shareholders' meeting specifying the content of the temporary proposal and submit such proposal for deliberation at the meeting; provided, however, that this shall not apply if the temporary proposal violates laws, administrative regulations, or the provisions of these Articles of Association, or falls outside the functions and powers of the shareholders' meeting.

Except for the circumstances specified in the preceding paragraph, after issuing the notice of the shareholders' meeting, the convener shall not modify or add new proposals. The shareholders' meeting shall not vote on or adopt resolutions regarding proposals that are not specified in the meeting notice or that do not comply with laws, regulations, or the provisions of these Articles of Association.

All the material and actual information of proposed resolution shall be fully and completely disclosed in the notice and the supplementary notice of the shareholders' meeting, as well as all information or explanations necessary to enable shareholders to make a reasonable judgment on the matters to be discussed.

Article 58 The convener shall notify shareholders 21 days prior to an annual shareholders' meeting and 15 days prior to an extraordinary shareholders' meeting.

When calculating the aforementioned notice period, the Company shall exclude the date of the shareholders' meeting but include the date on which the notice is delivered.

Article 59 The notice of a shareholders' meeting shall include the following contents:

- (1) Time, venue and meeting period of the shareholders' meeting;
- (2) Items and proposals to be submitted for review;
- (3) A clear statement in text that all shareholders shall have the right to attend the shareholders' meeting, and may appoint a proxy in writing to attend the meeting and participate in voting, and that such proxy need not be a shareholder of the Company;
- (4) The date of registration of shareholders entitled to attend the shareholders' meeting;
- (5) Name and telephone number of permanent contact persons of the shareholders' meeting;
- (6) Voting times and procedures for voting on the Internet or by other means; and
- (7) Other contents as required by laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory provisions in the place where the Company's shares are listed.

The interval between the date of registration of shareholders specified in preceding paragraph (4) and the meeting date shall not exceed seven trading days, and shall be after the disclosure time of the announcement. Once confirmed, the date of registration of shareholders shall not be changed.

Article 60 If the shareholders' meeting is to discuss the election of directors, the notice shall fully disclose detailed information about the candidates, including at least the following:

- (1) Personal information such as educational background, work experience and part-time jobs;
- (2) Whether there is any affiliated (connected) relationship with the Company, its controlling shareholders or the actual controllers;
- (3) The number of shares held in the Company;
- (4) Whether any circumstances specified in Article 178 of the Company Law exist;
- (5) Whether the candidate has been penalized by the China Securities Regulatory Commission (CSRC) or other relevant authorities or disciplined by a stock exchange; and
- (6) Other contents as required by laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory provisions in the place where the Company's shares are listed.

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

Article 61 A shareholders' meeting shall not be postponed or cancelled without just cause after the notice of meeting has been issued. If it becomes necessary to postpone or cancel the meeting, the Company shall announce such decision at least two trading days before the originally scheduled date of the shareholders' meeting and provide detailed explanations for the action.

Section 5 Convening of Shareholders' Meetings

Article 62 The company's board of directors and other conveners shall take necessary measures to ensure the normal order of shareholders' meetings. Measures shall be taken to suppress any acts that disrupt shareholders' meetings, create disturbances, or infringe upon the lawful rights and interests of shareholders and such acts shall be promptly reported to the relevant authorities for investigation and prosecution.

Article 63 All shareholders or their proxies listed in the register of shareholders on the date of registration shall have the right to attend the shareholders' meeting and exercise voting rights in accordance with applicable laws, regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association.

The company's controlling subsidiaries shall not acquire shares of the Company. If the shares are indeed held for special reasons, such circumstances shall be eliminated according to law within one year. Until the foregoing circumstances are eliminated, the relevant subsidiaries shall not exercise the voting rights corresponding to the shares held, and such shares shall not be counted in the total number of voting shares attending the shareholders' meeting.

Article 64 Shareholders may attend the shareholders' meeting in person or appoint one or more proxies (who need not be shareholders) to attend and vote on their behalf. Where a shareholder appoints a proxy to attend a shareholders' meeting, the scope, authority and duration of the proxy appointment shall be specified.

Where an individual shareholder attends the shareholders' meeting in person, the shareholder shall show personal ID card or other valid document or proof of identity; if, a proxy is appointed to attend the shareholders' meeting, the proxy shall show his/her personal valid identity certificate and a power of attorney from the shareholder.

A corporate shareholder or other institutional shareholder shall be represented at the meeting by its legal representative/executing partner or by a proxy appointed by such legal representative/executing partner. Where the legal representatives/executing partners attend the meeting, they shall present their identity cards and valid documentations evidencing their status as legal representatives/executing partners. Where a proxy attends the meeting, the proxy shall present his/her identity card and a power of attorney in writing duly issued by the legal representative/executing partner of the legal entity or institutional shareholder, and shall exercise voting rights within the authorized scope.

If a shareholder is a recognized clearing house (or its agent) as defined under relevant ordinances enacted in Hong Kong from time to time, such shareholder may authorize one or more persons it deems appropriate to serve as its representative(s) at any shareholders' meeting; but if more than one person is authorized, the instrument of authorization shall specify the number and class of shares in respect of which each such person is authorized, and such instrument shall be signed by the authorized personnel of the recognized clearing house. Any person so authorized may attend the meeting and exercise rights (including the right to speak and vote) on behalf of the recognized clearing house (or its agent) (without presenting proof of shareholding, subject to verification of their formal authorization through a notarized power of attorney and/or additional evidence) with the same effect as if such person were an individual shareholder of the Company.

Article 65 The power of attorney issued by a shareholder for appointing a proxy to attend a shareholders' meeting shall specify the following contents:

- (1) Name of proxy;
- (2) Whether they have voting rights;
- (3) Instructions on how to vote (approve, oppose, or abstain) on each item listed in the agenda of the shareholders' meeting;
- (4) Date of issuance and validity of letter of authorization;
- (5) Signature (or stamp) of the principal. Where the principal is a corporate shareholder or other institutional shareholder, it shall be affixed with the seal of the legal entity/institutional entity; and
- (6) Other contents as required by laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory provisions in the place where the Company's shares are listed.

The power of attorney shall clarify whether the shareholder agent may act of its own will without the specific instruction from the shareholder.

The power of attorney shall be deposited at the residence of the Company or at such other place as specified in the notice convening the meeting no later than twenty-four hours prior to the commencement of the meeting to which it relates or twenty-four hours before the designated time for voting. If such instrument is signed by another person under a power of attorney or other authorization documents given by the principal, such power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the instrument appointing the voting proxy, be deposited at the Company's domicile or at such other place as is specified in the notice convening the meeting.

Article 66 If such instrument for proxy voting is signed by another person under a power of attorney or other authorization documents given by the principal, such power of attorney or other authorization documents shall be notarized. The letter of authorization with notarization or other authorized documents as well as the vote letter of authorization shall be placed in the domicile of the Company or at other place prescribed in the notice convening the meeting. The notarized letter of authorization or other authorized documents and letter of authorization for voting shall be saved in the Company's domicile or other place designated in the notice convening the meeting.

Should the principal be a legal entity, the principal shall designate his/her legal representative or the person authorized through the decision of the board of directors or other decision-making organ to attend the Company's shareholders' meeting. Where the principal is a non-legal entity, the representative attending the Company's shareholders' meeting shall be the person in charge of such organization, the executive partner of the partnership enterprise, or a person appointed by either of them.

Article 67 The company shall be liable for preparing the meeting register of the attending personnel. Such register shall contain the name (or entity name), ID card No. and domicile of the personnel attending the meeting, total shares held or represented and name of the principal represented (or entity name), etc.

Article 68 The convener and the lawyer hired by the Company will jointly verify the legitimacy of the shareholders' qualifications based on the register of shareholders provided by the securities registration and settlement institution, and register the names (or titles) of the shareholders and the number of shares for which they hold voting rights. The meeting registration shall be stopped before the meeting host declares the shareholders attending the meeting on site, number of proxies and total shares held with voting right.

Article 69 When the shareholders' meeting is convened, all directors and the secretary of the board of directors of the Company shall attend the meeting, and the general manager and other officers shall be present at the meeting.

Article 70 The shareholders' meeting shall be presided over by the chairman of the board. Where the chairman is unable or refuses to perform the duties, a director elected by more than half of the directors shall preside over the meeting.

For a shareholders' meeting convened by the audit committee on its own initiative, the chairman of the audit committee shall preside over the meeting. Where the chairman of the audit committee is unable to or refuses to perform the duties, a member of audit committee elected by more than half of the audit committee shall preside over the meeting.

For a shareholders' meeting convened by shareholders on their own initiative, the chairman or a representative shall be elected by the conveners to preside over the meeting.

If, during the shareholders' meeting, the meeting host violates the rules of procedure, making it impossible to continue the meeting, and upon the consent of more than half of the voting shareholders attending the meeting in person, the shareholders' meeting may elect a person to serve as the meeting host and continue the meeting.

Article 71 The company shall prepare the rules of procedure of the shareholders' meeting, where the convening and voting procedure of shareholders' meeting shall be specified explicitly, including notice, registration, proposal deliberation, voting, counting of votes, declaration of voting result, formation of meeting resolution, meeting minutes and signature as well as the authorization principle of shareholders' meeting for the board of directors. The shareholders' meeting shall exercise its functions and powers within the scope prescribed by the Company Law and these Articles of Association, and the content of any authorization shall be explicit and specific. The shareholders' meeting shall not delegate its statutory functions and powers to the board of directors for exercise. The rules of procedure of shareholders' meeting shall serve as an appendix to the Articles of Association and shall be prepared by board of directors and approved by the shareholders' meeting.

Article 72 At the annual shareholders' meeting, the board of directors shall present reports to the shareholders on their work over the past year. Independent directors shall submit an annual duty performance report to the Company's annual shareholders' meeting that complies with applicable laws and regulations, detailing the fulfillment of their responsibilities.

Article 73 The directors and senior executives shall make explanations and statements on the inquiries and suggestions of shareholders at the shareholders' meeting.

Article 74 The meeting host shall, prior to voting, declare the number of shareholders and proxies on site and the total shares held with voting right. The number of attending shareholders and proxies on site and total shares held with voting right shall be subject to the meeting registration.

Article 75 Minutes of the shareholders' meeting shall be kept by the secretary to the board of directors. The meeting minutes shall record the following:

- (1) The time, place and agenda of the meeting and the name or title of the convener;
- (2) Name of the meeting host and the present directors, board secretaries, general managers and other senior executives;
- (3) The number of shareholders and proxies attending the meeting, the total number of shares with voting rights and the percentage of the total number of shares of the Company;
- (4) Consideration of each proposal, highlights of statements and voting results;
- (5) Shareholders' queries or suggestions and corresponding replies or explanations;

- (6) The names of the legal advisors (if any), vote counters and vote supervisors; and
- (7) Other contents required to be recorded in the meeting minutes under these Articles of Association, laws, regulations, normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Article 76 The directors, the secretary to the board of directors, convener or their representatives, and the meeting host shall sign the meeting minutes and ensure the content thereof is true, accurate and complete. The meeting minutes shall be kept together with the signature book of the shareholders present at the meeting, the power of attorney for attendance of proxies, valid information on voting by internet and other methods, with a record retention of not less than 10 years.

Article 77 The convener shall ensure that the shareholders' meeting continues without interruption until final resolutions are adopted. In case of the shareholders' meeting being suspended halfway or resolutions being unable to be made due to special causes such as force majeure, necessary measures should be taken to resume the meeting as soon as possible or to terminate it directly, and a public announcement shall be made promptly.

Section 6 Voting and Resolutions of Shareholders' Meetings

Article 78 Resolutions of shareholders' meetings shall be classified as ordinary resolutions and special resolutions.

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

A special resolution made by the shareholders' meeting shall be passed by two-thirds or more of the voting rights held by shareholders (including shareholders' proxies) present at the meeting.

Article 79 The following matters shall be passed by an ordinary resolution of the shareholders' meeting:

- (1) The work reports of the board of directors;
- (2) The profit distribution proposal and loss recovery proposal formulated by the board of directors;
- (3) The appointment and removal of members of the board of directors and their remuneration and the method of payment thereof;

- (4) Annual report of the Company; and
- (5) Other matters not required by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or these Articles of Association to be passed by a special resolution.

Article 80 The following matters shall be passed by a special resolution of the shareholders' meeting:

- (1) the Company's increase/decrease of registered capital;
- (2) The division, merger, dissolution, liquidation, voluntary winding-up, or change in corporate form of the Company;
- (3) Modification of the Articles of Association;
- (4) Purchases or sales of any important assets, or guarantee amount exceeding 30% of the most recently audited total assets of the Company within one year;
- (5) Equity incentive plan; and
- (6) Other matters required by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or these Articles of Association to be passed by a special resolution, as well as matters that the shareholders' meeting determines by an ordinary resolution to have a material impact on the Company and therefore require adoption by a special resolution.

If at any time the shares of the Company are divided into shares of different classes, any intended modification or abolition of the rights of any class of shares by the Company shall be approved by a special resolution adopted by the affected class of shareholders at a separately convened shareholders' meeting.

Article 81 The shareholders (including shareholders' proxies) shall exercise voting right based on the number of shares they hold, with each share carrying one vote. When voting, a shareholder (including a proxy) entitled to two or more votes needs not cast all his/her votes uniformly as "for", "against", or "abstain".

The shares held by the Company in itself have no voting rights and such part of the shares are not listed in the total shares that allow the holders to attend the shareholders' meeting with voting rights.

The board of directors, independent directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established under laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed, may act as soliciting agents. They may, either by themselves or through authorized securities companies or securities service institutions, publicly solicit proxies from the Company's shareholders to attend shareholders' meetings and exercise shareholder rights such as proposal rights and voting rights on their behalf. When soliciting shareholders' voting rights, full disclosure of specific voting intentions and other relevant information shall be provided to the solicited parties. Solicitation of shareholders' voting rights through paid or disguised paid means is prohibited. the Company may not impose minimum shareholding restrictions on the solicitation of voting rights, except under statutory conditions. Violations of laws, administrative regulations, or relevant rules of the securities regulatory authority under the State Council in the public solicitation of shareholder rights that cause losses to the Company or its shareholders shall be subject to compensation liability in accordance with the law.

Article 82 Where a shareholder has a connected relationship with a matter to be considered at the shareholders' meeting, such shareholder shall abstain from voting. The voting shares held by such shareholder shall not be counted in the total number of voting shares present at the meeting. The announcement of the shareholders' meeting resolution shall fully disclose the voting details. This shall not apply where it is otherwise provided by laws, regulations, departmental rules, business rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, or where all shareholders are related parties.

If the Hong Kong Listing Rules require any shareholder to abstain from voting on a resolution or restrict any shareholder to voting only for (or against) a resolution, any votes cast by such shareholders or their proxies in contravention of such requirement or restriction shall not be counted.

Connected shareholders shall proactively explain the situation to the shareholders' meeting and clearly state that they will not participate in voting when considering connected transactions at the shareholders' meeting. If a shareholder fails to voluntarily disclose its connected relationship and abstain from voting, other shareholders may require such shareholder to explain the circumstances and abstain. If the shareholder insists on participating in the voting, the other shareholders present at the shareholders' meeting shall vote by special resolution procedure to determine whether a connected transaction exists and whether abstention is required. Before voting, other shareholders have the right to require such shareholder to provide an explanation regarding the relevant circumstances.

Article 83 The company shall, under the premise of ensuring the legality and effectiveness of the shareholders' meeting, provide convenience for shareholders to participate through various means and channels.

Article 84 Except in special circumstances such as a company crisis, the Company shall not enter into a contract with a person other than a director, general manager or other officers to entrust the management of the Company's entire or important business to such person unless approved by the shareholders' meeting by a special resolution.

Article 85 The list of candidates for directors shall be submitted to the shareholders' meeting for voting in the form of a proposal.

When the shareholders' meeting votes on the election of directors, a cumulative voting system may be implemented in accordance with the provisions of the Articles or the resolution of the shareholders' meeting. When the shareholders' meeting elects directors, the voting for independent directors and non-independent directors shall be conducted separately.

The cumulative voting system referred to in the preceding paragraph means that in the election of directors at the shareholders' meeting, each share shall have the same number of voting rights as the number of directors to be elected, and the voting rights owned by shareholders may be utilized in a centralized manner. The resume and general information of candidates for directors shall be announced to the shareholders by the board of directors.

Before nominating a candidate for director, the nominator shall obtain the written commitment from the candidate confirming the candidate's acceptance of the nomination and promising that the publicly disclosed information of the candidate is true and complete, and that the candidate will faithfully perform the duties of a director if elected.

The methods and procedures for nominating directors are as follows:

- (1) The board of directors, or shareholders individually or jointly holding 1% or more of the total voting shares of the Company, shall have the right to propose a list of candidates for non-independent directors, which shall be submitted to the shareholders' meeting for approval by way of a proposal.
- (2) Independent director candidates shall be proposed by the board of directors, or by shareholders individually or jointly holding 1% or more of the Company's issued shares, and submitted to the shareholders' meeting for approval by way of a proposal.

Article 86 When the shareholders' meeting adopts the cumulative voting system to elect directors, the following rules shall apply:

- (1) The total number of votes available to a shareholder of the Company in the election of directors shall be equal to the number of shares held by such shareholder multiplied by the number of directors to be elected. The number of candidates for directors or supervisors may exceed the number of positions to be elected at the shareholders' meeting. However, the total number of votes allocated by each shareholder shall not exceed the shareholder's total available votes. Otherwise, such votes shall be deemed invalid;
- (2) The final elected directors shall be determined in descending order of the number of votes received, but the minimum number of votes required for each elected candidate must exceed half of the total shares represented by shareholders (including shareholders' proxies) present at the shareholders' meeting. If the number of elected directors is less than the number of positions to be filled at the shareholders' meeting, a revote shall be conducted for the remaining vacancies among all candidates who did not receive sufficient votes. If votes for the vacancies still fall short after the revote, a by-election shall be held at the next shareholders' meeting of the Company. If two or more candidates for directors receive an equal number of votes, but the number of available positions requires that only some of them can be elected, a separate revote shall be conducted for such candidates with same votes.

Article 87 Except for the cumulative voting system, the shareholders' meeting shall vote on all proposals item by item. If there are different proposals on the same matter, voting shall be made in the chronological order of the proposals. Shareholders shall not make affirmative votes simultaneously for different proposals on the same matter at the shareholders' meeting.

The shareholders' meeting shall not set aside or withhold a vote on a proposal unless the shareholders' meeting is adjourned or unable to reach a resolution due to special reasons such as force majeure.

Article 88 The shareholders' meeting shall, on the occasion of considering the resolutions, not revise the resolution, otherwise, the relevant alteration shall be deemed as a new resolution which shall not be voted at the same shareholders' meeting.

Article 89 A single voting right may only be exercised in one way, either on-site or through other voting methods. Where there are duplicate votes on the same voting right, the result of the first vote shall prevail.

Article 90 Vote in the shareholders' meeting shall adopt open ballot.

Article 91 Before conducting voting on proposals at a shareholders' meeting, two shareholder representatives shall be designated to participate in vote counting and supervision. The voting results shall be announced on the spot, and the outcome of the resolutions shall be recorded in the meeting minutes. If shareholders have the connected relationship in the matters under consideration, the relevant shareholders and their proxies shall not participate in vote counting or supervision.

Shareholders or their proxies voting through other methods shall have the right to verify their voting results via the corresponding voting system.

Article 92 The conclusion time of the on-site shareholders' meeting shall not be earlier than that of other methods, and the meeting host shall announce the voting on each proposal and the results thereof, and declare whether the proposal is adopted or not based on the voting results.

Before the voting result is formally announced, all parties involved in the on-site meeting, and other voting methods, including the Company, vote counters, scrutineers, and shareholders, shall have a duty of confidentiality regarding voting conditions.

Article 93 Shareholders attending the shareholders' meeting shall express one of the following views on the proposals submitted for voting: approve, oppose, or abstain; Unless otherwise declared by a recognized clearing house as defined under the relevant ordinances from time to time in effect in Hong Kong or its agent as the nominal holder in accordance with the instructions of the beneficial owner.

Unmarked, incorrectly marked, illegible, or uncast votes shall be deemed as abstention, and the voting result for the number of shares held by such voters shall be recorded as "abstain".

Article 94 In the event that the meeting host has any doubt as to the result of a resolution put forward to the vote, he may organize to have the cast votes counted. In the event that the meeting host does not have the votes counted, any shareholder present in person or by proxy objects to the result announced by the meeting host may require that the votes be counted immediately after the declaration of the voting result, the meeting host shall organize to have the votes counted immediately.

Article 95 Resolutions of the shareholders' meeting shall be announced in a timely manner, and the announcement shall set out the number of shareholders and proxies attending the meeting, the total number of shares with voting rights and their proportion to the total number of voting shares of the Company, the manner of voting, the results of the voting on each proposal, and the details of the resolutions adopted.

Article 96 If a proposal is not adopted, or if a resolution of the current shareholders' meeting alters a resolution of a previous one, a special notice shall be made in the resolution of the shareholders' meeting.

Article 97 If a proposal regarding the election of directors is adopted at the shareholders' meeting, the assumption of office by the newly elected directors shall occur on the date designated in the resolution of the shareholders' meeting. If the relevant election proposal does not specify the assumption-of-office date for newly elected directors, such date shall be the date on which the election proposal is approved by resolution of the shareholders' meeting.

Article 98 If a proposal regarding cash dividends, stock dividends, or capital reserve conversion into share capital is approved by the shareholders' meeting, the Company shall implement the specific plan within two months after the conclusion of the shareholders' meeting. If the specific plan cannot be implemented within two months due to the requirements of laws and regulations or the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly based on such provisions and the actual circumstances.

Chapter 5 Board of Directors

Section 1 Directors

Article 99 Directors of the Company shall be natural persons. Under any of the following circumstances, a person shall not serve as a director, if such person is:

- (1) An individual who has no civil capacity or has restricted civil capacity;
- (2) An individual who has been sentenced to criminal penalties for offenses such as corruption, bribery, embezzlement, misappropriation of property, or undermining the socialist market economic order, since the completion of his/her sentence; or who has been deprived of political rights due to criminal conviction, with less than five years having elapsed since the completion of his/her sentence; or who has been granted probation, with less than two years having elapsed since the expiration of the probation period;

- (3) An individual who was a former director, factory chief or manager of a company or enterprise which became insolvent and was liquidated, and were personally liable for the insolvency of such company or enterprise, with less than three years having elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (4) An individual who was the legal representative of a company or enterprise whose the business license was revoked and which was ordered to close due to violation of the law, and who was personally liable for the revocation, with less than three years having elapsed since the date of the revocation of the business license thereof or the date such company or enterprise was ordered to close;
- (5) An individual who has been listed as a dishonest debtor by the people's court due to a large amount of debt that has not been repaid upon maturity;
- (6) An individual who has been banned from entering the securities markets subject to market prohibition measures by the CSRC or has been identified as an inappropriate candidate whose specified period of prohibition has not yet expired;
or
- (7) An individual who is unsuitable to serve as a director as required by laws, administrative regulations, department rules, the Hong Kong Listing Rules and other securities regulatory provisions of the place where the Company's shares are listed.

If a director is elected or appointed in violation of this Article, the election, appointment or engagement shall be invalid. If a director falls under any of the circumstances specified in this Article during his term of office, the Company shall remove him from the position.

Article 100 Directors are elected or replaced by the shareholders' meeting, and may be removed from office by the shareholders' meeting before their term expires. The term of office for directors is three years. Directors may be re-elected upon the expiration of their term.

The term of office of the director shall be calculated as of the day when he takes office until the term of office of the board of directors expires. If directors are not re-elected in a timely manner upon expiration of their term, the incumbent directors shall continue to perform their duties in accordance with the laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the provisions of the Articles, until the newly elected directors assume office. If a director resigns, the resignation must be notified to the Company in writing. The resignation shall take effect on the date the Company receives the notice, unless the circumstance mentioned in the preceding paragraph applies, in which case the director shall continue to perform his/her duties.

The shareholders' meeting may resolve to remove a director. The removal shall take effect on the date the resolution is passed. If a director is removed without cause before the expiration of his/her term, that director may demand compensation from the Company.

A director may concurrently serve as a manager or other officer of the Company. However, the directors concurrently serving as general managers or other officers shall not exceed 1/2 of the total number of the Company's directors.

Article 101 Directors shall comply with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association, and owe the following fiduciary duties to the Company:

- (1) Never accepting bribery or other illegal income or occupying the Company's properties in virtue of the functions and powers;
- (2) Never embezzling the Company's capital;
- (3) Never depositing the Company's assets or funds into an account in his own name or the name of any other individual;
- (4) Never entering into any contract or transaction with the Company, directly or indirectly, without having reported the matters related to the conclusion of such contract or transaction to the board of directors or the shareholders' meeting and without having obtained a resolution passed in accordance with the provisions of the Articles;
- (5) Never exploiting their positions to seize for themselves or for others any business opportunity that belongs to the Company without the consent of the shareholders' meeting; except under any of the following circumstances:
 - (i) Having reported the matter to the board of directors or the shareholders' meeting and obtained a resolution passed in accordance with the provisions of the Articles;
 - (ii) Where laws, administrative regulations, or the Articles prohibit the Company from exploiting such business opportunity;
- (6) Never engaging, whether for their own account or for the account of others, in any business that is of the same type as the Company's business without having reported to the board of directors or the shareholders' meeting and obtained a resolution passed in accordance with the provisions of the Articles;

- (7) Never accepting commissions from others for transactions with the Company for their own benefit;
- (8) Never disclosing the Company's secrets arbitrarily;
- (9) Never impairing the interests of the Company by taking advantage of the connected relationship; or
- (10) Other duties of loyalty stipulated by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles.

The preceding paragraph (4) shall apply where a close relative of a director, or officer; an enterprise directly or indirectly controlled by such director, officer or their close relative; or any other connected person with the director, or officer enters into a contract or transaction with the Company.

Any income derived by directors from violating the provisions of this Article shall be surrendered to the Company. If a violation of laws, administrative regulations, or the provisions of the Articles in the performance of their duties causes losses to the Company, they shall be liable for compensation.

Article 102 Directors shall comply with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and these Articles of Association, and owe the following diligent duties to the Company:

- (1) Exercising the rights granted by the Company in a cautious, earnest and diligent manner to ensure the Company's commercial behaviors meet the requirements of national laws, administrative regulations and national economic policies and the commercial activities are not beyond the scope of business as specified in business license;
- (2) Treating all shareholders fairly;
- (3) Understanding the Company's business operation and management in time;
- (4) Signing a written confirmation for the Company's periodic report; Ensuring that the information disclosed by the Company is true, accurate and complete;
- (5) Providing the audit committee with relevant information and data authentically and never hindering the audit committee from exercising functions and powers; and

- (6) Other duties of diligence stipulated by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles.

Where a controlling shareholder or actual controller of the Company does not serve as a director but actually executes company affairs, the provisions of Article 101 and Article 102 shall apply.

Article 103 If any director fails to attend in person or appoint other directors as his/her representative to attend meetings of the board of directors for two consecutive times, such director shall be deemed to have failed to perform his/her duties, and the board of directors may propose to replace such director at the shareholders' meeting.

Article 104 A director may resign before expiration of his/her term of office. The director who resigns shall submit to the Company a written resignation report. The relevant information shall be disclosed within two days by the board of directors.

Except for the circumstances stated below, the resignation of directors shall take effect upon the resignation report reaching the Company:

- (1) The resignation of the director would result in the members of the board of directors falling below the quorum minimum;
- (2) The resignation of an independent director would result in the board of directors or any of its specialized committees failing to meet the requirements for the proportion of independent directors as stipulated by laws, regulations, or the Articles, or would result in a lack of an accounting professional among the independent directors.

The incumbent director shall continue to perform his/her duties in accordance with laws, administrative regulations, department rules, and the Articles until the newly elected director assumes office, unless the resigning director falls under a circumstance that would disqualify them from being nominated as a director of the Company. In the above circumstances, the resignation report shall not take effect until the next director fills the vacancy created by the resignation. Before the resignation report takes effect, the director who intends to resign shall continue to perform his/her duties. In case of any of the above situations, the Company shall complete the by-election of directors within 2 months.

Article 105 When a director's resignation takes effect or his/her term of office expires, he shall complete all transfer procedures with the board of directors. Her/his duty of loyalty to the Company and shareholders shall not be automatically discharged after the end of his term, but shall remain valid for 3 years after the director's resignation takes effect or his term expires.

Article 106 No director shall act on behalf of the Company or the board of directors without the legitimate authorization specified in the Articles or by the board of directors. Should the director take actions in his own name, and the third party may reasonably believe his action is taken for and on behalf of the Company or board of directors, the director shall firstly declare his standpoint and identity.

Article 107 Where a director, in performing his/her duties, violates laws, administrative regulations, department rules or provisions in the Articles and causes damage to the Company, such director shall be liable for compensation.

Article 108 Matters relating to the qualifications, nomination and election procedures, functions and powers, and other relevant aspects of independent directors shall be implemented according to the relevant provisions of laws, regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed. Independent directors may exercise the following special functions and powers:

- (1) To independently engage intermediary agencies to conduct auditing, consulting, or verification of specific company matters;
- (2) To propose to the board of directors the convening of an extraordinary shareholders' meeting;
- (3) To propose the convening of a board meeting;
- (4) To publicly solicit shareholders' rights in accordance with the law;
- (5) To provide independent opinions on matters that may harm the interests of the Company or minority shareholders;
- (6) Other functions and powers stipulated by laws, administrative regulations, the provisions of the China Securities Regulatory Commission, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Company's Articles of Association.

The exercise of the functions and powers listed in Items (1) to (3) of the preceding paragraph by an independent director shall require the approval of more than half of all independent directors.

The company shall promptly disclose any exercise of the functions and powers listed in the paragraph 1 by an independent director. If the aforementioned functions and powers cannot be normally exercised, the Company shall disclose the specific circumstances and reasons.

The number of independent directors shall not be fewer than 3 and shall not be less than 1/3 of the total number of board members. Furthermore, at least 1 independent director must possess appropriate professional qualifications as required by the Hong Kong Listing Rules or have appropriate accounting or related financial management expertise. At least one independent director shall be ordinarily resident in Hong Kong. All independent directors must possess the independence required by the Hong Kong Listing Rules.

Section 2 Board of Directors

Article 109 The company shall establish a board of directors, which is accountable to the shareholders' meeting. The board of directors consists of 7 to 9 directors, including 1 chairman. The board of directors shall be composed of executive directors, non-executive directors, and independent directors.

Article 110 The board of directors shall exercise the following functions and powers:

- (1) Convening the shareholders' meeting and report to it;
- (2) Implementing the resolutions made by the shareholders' meeting;
- (3) Deciding the company's business plans and investment plans;
- (4) Formulating the Company's profit allocation schemes and loss recovery schemes;
- (5) Preparing the Company's schemes regarding the increase/decrease of registered capital, issuance of bond or other securities and listing;
- (6) Drafting the schemes for major corporate acquisitions, repurchase of company's shares, merger, divisions, dissolution, and changes of the Company form;
- (7) Deciding within the authorization scope such proceedings as external investment, purchase or sale of assets, pledge, external guarantee, entrusting financing, connected transactions and external donations;
- (8) Determining the establishment of the internal management of the Company;
- (9) Deciding employing or dismissing the Company's general manager; employing or dismissing the Company's senior managers such as vice manager, chief financial officer, and board secretary according to the nomination of the general manager and deciding their salary and award & punishment;

- (10) Preparing the Company's basic management system;
- (11) Preparing the scheme regarding the modification of the Articles;
- (12) Managing the Company's information disclosure matters;
- (13) Proposing to the shareholders' meeting to appoint or change the accounting firm engaged for the Company's audit;
- (14) Listening to the work report of the Company's general manager and checking the general manager's work; and
- (15) Other functions and powers granted by laws, administrative regulations, department rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, the Articles, or the shareholders' meeting.

During the recess of the board of directors, the chairman may exercise certain functions and powers of the board. However, major matters must be collectively decided by the board. The board shall not delegate its statutory functions and powers to individual directors or other persons.

Article 111 The company's board of directors shall establish a Strategy Committee, an Audit Committee, a Compensation and Performance Evaluation Committee, and a Nomination Committee. It may also establish other relevant specialized committees as needed. The specialized committees shall be responsible to the board of directors and perform their duties in accordance with the Articles and the authorization of the board of directors, with their proposals submitted to the board of directors for deliberation and decision. All members of each specialized committee shall be composed of directors. Independent directors shall constitute the majority of the Audit Committee, the Nomination Committee, and the Compensation and Performance Evaluation Committee. The Audit Committee shall include at least one independent director who is an accounting professional. The convener of the Audit Committee shall be an independent director with accounting expertise. Members of the Audit Committee shall be non-executive directors. The Nomination Committee shall be convened by the chairman of the board or an independent director.

Article 112 The board of directors shall be responsible for formulating the rules of procedure and work protocols for the special committees to regulate their operations.

The board of directors shall obtain the approval by a majority vote of all members of the Audit Committee before making resolutions on the following matters:

- (1) Deciding to hire or dismiss the accounting firms undertaking the audit services of the Company;

- (2) Appointing or dismissing the financial officer;
- (3) Disclosing financial accounting reports;
- (4) Other matters specified by the securities regulatory authority under the State Council or other securities regulatory rules of the place where the Company's shares are listed.

Article 113 The board of directors of the Company shall give an explanation to the shareholders' meeting on the non-standard audit opinion issued by a certified public accountant on the Company's financial report.

Article 114 The board of directors shall formulate its rules of procedure to ensure the board of directors implements the resolutions of shareholders' meeting faithfully, improve working efficiency and guarantee scientific decision-making.

Article 115 The board of directors has the authority to approve the following transactions:

- (1) All matters related to providing financial assistance to external parties, other than those specified in Article 43 of the Articles;
- (2) All external guarantee matters other than those specified in Article 44 of the Articles;
- (3) Except for providing guarantees, the board of directors' authority to decide on related transactions shall cover those between the Company and related natural persons that are not specified in Article 46 of the Articles involving a transaction amount exceeding RMB500,000, as well as those between the Company and related legal entity involving a transaction amount exceeding 0.5% of the Company's most recently audited total assets and exceeding RMB3 million;
- (4) Transactions required to be submitted to the board of directors for deliberation pursuant to the Hong Kong Listing Rules and other relevant securities regulatory rules of the place where the Company's shares are listed.

Article 116 Except for the transactions specified in Article 115 above, any transaction meeting the following criteria (excluding providing guarantees) shall be subject to deliberation by the board of directors. If it falls under circumstances requiring shareholders' meeting deliberation, it shall also be submitted to the Company's shareholders' meeting for review:

- (1) The total assets involved in the transaction (if both book value and assessed value exist, the higher value shall prevail) or the transaction amount exceeds 10% of the Company's total assets audited in the most recent fiscal year;

- (2) The net assets involved in the transaction or the transaction amount exceeds 10% of the absolute value of the Company's audited net assets in the most recent fiscal year and is more than RMB10 million;
- (3) Transactions required to be submitted to the board of directors for deliberation pursuant to the Hong Kong Listing Rules and other relevant securities regulatory rules of the place where the Company's shares are listed.

The board of directors shall establish rigorous review and decision-making procedures. Matters beyond the board's authority must be approved by the shareholders' meeting. Major investments shall be evaluated by relevant experts and professionals and submitted to the shareholders' meeting for approval. Matters that do not meet the above criteria for board approval shall be deliberated and approved by the general manager's office meeting.

Article 117 The chairman of the board of directors shall be elected by the affirmative votes of more than half of all the directors. The chairman shall exercise the following functions and powers:

- (1) Preside over shareholders' meeting, and convene and chair the meeting of the board of directors;
- (2) Urge and check the implementation of the resolution of the board of directors;
- (3) Sign share certificates, bonds and other marketable securities of the Company;
- (4) Sign important board documents and other documents that should be signed by the legal representative of the Company;
- (5) Exercise the functions and powers of the legal representative;
- (6) Exercise the special disposal power to handle the Company affairs in compliance with the law and the Company's interests in cases of emergency caused by catastrophic natural disasters and other force majeure, and report to the board of directors and the shareholders' meeting of the Company thereafter; and
- (7) Other functions and powers granted by the board of directors.

Article 118 If the chairman is unable or fails to perform his/her duties, a director shall be jointly elected by no less than half of the directors to perform his/her duties.

Article 119 The board of directors shall convene at least two meetings annually, convened by the chairman, with written notice to all directors issued 10 days prior to the meeting. Extraordinary board meetings shall be convened by issuing meeting notices in accordance with the provisions of the Articles. Board meeting agendas shall be prepared in advance and accompanied by sufficient materials for decision-making.

Article 120 Shareholders representing no less than 1/10 of the voting rights, a majority of the independent directors, no less than 1/3 of the directors, or the audit committee may propose to convene extraordinary board meetings. The chairman of the board of directors shall, within 10 days after receiving such a proposal, convene and preside over a board meeting.

Article 121 Notice of extraordinary board meetings shall be delivered by hand, fax, telephone, or email, and shall be given at least two days prior to the meeting.

Article 122 The notice of a board meeting shall include the following contents:

- (1) Date and place of the meeting;
- (2) Meeting duration;
- (3) Cause and topic for discussion;
- (4) The date of issuance of the notice; and
- (5) Other contents required by laws, administrative regulations, department rules or normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Article 123 The board meeting can not be held until attended by a majority of all directors. The resolution made by the board of directors shall be adopted by an affirmative vote of a majority of all directors.

For board resolutions, each director shall have one vote.

Article 124 A director who has a connected relationship with any enterprise or individual involved in a matter subject to a board meeting resolution shall promptly submit a written report to the board of directors. A director having a connected relationship shall neither exercise voting rights on such resolution nor act as a proxy to vote on behalf of other directors. The voting rights of such director shall be excluded from the total number of voting rights. The board meeting can be held with the attendance of a majority of the disinterested directors, and resolutions made at the meeting require approval by a majority of the disinterested directors. Where disinterested directors attended the board meeting is less than three, the proceedings shall be submitted to the shareholders' meeting for examination and deliberation.

Article 125 Board resolutions shall be adopted by means of a roll-call vote.

Extraordinary board meetings may be conducted on-site, by video conference, telephone, fax, or email, provided that directors are guaranteed full opportunity to express their opinions. Extraordinary board meetings may also be conducted through a combination of on-site and other simultaneous means. If a board meeting is not convened on-site, the number of directors present at the meeting shall be calculated based on directors shown via video conference, directors expressing opinions in teleconferences, valid voting ballots actually received via fax or email within the specified time limit, or written confirmations submitted by directors afterwards confirming their participation in the meeting.

The board of directors shall not adopt written resolutions when deliberating matters in which a substantial conflict of interest exists for a major shareholder or director as stipulated in the Hong Kong Listing Rules, or as otherwise provided by laws and regulations, the regulatory rules of the place where the Company's shares are listed, or the Company's Articles of Association.

Article 126 Directors shall attend board meetings in person. If unable to do so due to special reasons, a director may appoint another director in writing to attend on his/her behalf. Independent directors may not appoint non-independent directors to attend meetings on their behalf. When deliberating connected transaction matters, disinterested directors shall not appoint interested directors to attend the meeting on their behalf. For matters involving voting, the appointing party shall clearly indicate in the letter of authorization its vote on each resolution as "approve", "reject" or "abstain". Directors shall not grant or accept proxies without specific voting instructions, general proxies, or proxies with ambiguous authorization scope. A director's responsibility for voting matters shall not be exempted due to the appointment of another director to attend on their behalf.

A single director shall not accept appointments from more than two directors to attend a board meeting on their behalf. A director who neither attends the meeting of the board of directors nor appoints a proxy shall be deemed to have abstained from voting at that meeting.

Article 127 The minutes of board meetings shall be true, accurate and complete. The board of directors shall keep minutes of resolutions on matters discussed at meetings. The attending directors, the secretary of the board of directors, and the minutes taker shall sign on the minutes of such meeting.

The minutes of board meetings shall be kept as the Company's files for not less than ten years.

Article 128 The minutes of board meetings shall include the following contents:

- (1) The date and place of the meeting and the name of the convener;
- (2) The names of the directors present and the names of the directors (proxies) who have been delegated to attend the board of directors;
- (3) Agenda of the meeting;
- (4) Summary of directors' remarks;
- (5) The manner and result of voting on each resolution (the result of the voting shall indicate the number of votes in favor, against or abstentions); and
- (6) Other contents required by laws, administrative regulations, department rules or normative legal documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates laws, administrative regulations, the Articles, or resolutions of the shareholders' meeting, thus causing the Company to suffer any material loss, the directors participating in the resolution are liable to compensate the Company. However, directors who have proved to have cast a dissenting vote against the motion during the voting as recorded in the minutes shall be exempted from such liability.

Section 3 Independent directors

Article 129 The company shall establish an independent director system in accordance with the relevant provisions of laws, administrative regulations, department rules, management measures prescribed by the securities regulatory authority under the State Council, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed. An independent director refers to a director who does not hold any position other than that of director within the Company and has no relationship with the Company or its major shareholders that may impede the exercise of independent and objective judgment.

Article 130 The Company shall have independent directors on its board of directors. The number of independent directors shall not be less than one-third of the board of directors and not fewer than three persons, one of whom must possess appropriate professional qualifications or have appropriate accounting or equivalent financial management expertise.

Article 131 The term of office for independent directors shall be the same as that of other company directors. Upon expiration of the term, they may be re-elected, but the consecutive tenure shall not exceed six years.

Chapter 6 General Manager and Other Officers

Article 132 The Company shall appoint one general manager and several deputy general managers, who shall be employed or dismissed by the board of directors. The Company's general manager, deputy general managers, chief financial officer and secretary of the board of directors are the Company's officers.

Article 133 The regulations regarding the personnel who are prohibited to serve as the director in Article 99 hereof are also applicable to the senior officers. Officers owe fiduciary duties and duties of diligence. The provisions of Article 101 and Article 102 of the Articles shall apply equally to officers.

Article 134 Persons holding any administrative position (other than director or supervisor) in any entity of the Company's controlling shareholder shall be disqualified from serving as officers of the Company.

Officers of the Company shall receive compensation solely from the Company, and not through any controlling shareholder on the Company's behalf.

Article 135 The general manager shall take office for three years and can be reappointed after the expiration.

Article 136 The general manager shall be responsible to the board of directors and exercise the following functions and powers:

- (1) Preside over the Company's production and operation management, organize the implementation of resolutions of board of directors and report work to the board of directors;
- (2) Implement the Company's annual operational plans and investment programs;
- (3) Draft plans for the establishment of internal management of the Company;
- (4) Draft the basic management system of the Company;
- (5) Formulate specific regulations of the Company;
- (6) Submit proposals to the board of directors for the appointment or dismissal of the deputy manager, chief financial officer, or other officers of the Company;
- (7) Appoint or dismiss responsible management personnel other than those who shall be appointed or dismissed by the board of directors;
- (8) Other functions and powers granted by the articles of association of the Company and the board of directors.

The general manager shall attend the meeting of the board of directors as a non-voting participant.

Article 137 The general manager shall formulate detailed working rules of the general manager, which shall be submitted to the board of directors for approval before implementation. The working regulations for the general manager shall include the following contents:

- (1) The conditions and procedures for convening the general manager's meeting and the participants;
- (2) The specific duties and division of responsibilities of the general manager and other officers;
- (3) The authorization for the use of the Company's funds and assets, execution of major contracts, as well as the reporting system to the board of directors;
- (4) Such other matters as the board of directors may deem necessary.

Article 138 The general manager and other officers may tender their resignation before the expiration of their term of office. The specific procedures and measures for the resignation of officers shall be stipulated in the labor contract between the officers and the Company.

Article 139 The deputy general manager shall assist the general manager in his/her duties. If the general manager is unable to perform his/her functions, the chairman may designate one deputy general manager to act on his/her behalf.

Article 140 When an officer resigns, he shall submit a written resignation report and may not evade his/her duties by resigning or other means.

Article 141 Officers who cause losses to the Company by violating laws, administrative regulations, department rules or provisions under the Articles while performing their duties shall bear liability for compensation.

Article 142 The officers of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Officers of the Company shall bear compensation liability in accordance with the law if they cause damage to the interests of the Company and public shareholders due to failure to faithfully perform their duties or violation of fiduciary obligations.

Article 143 The company shall have a secretary of the board of directors. The secretary of the board of directors serves as a senior officer of the Company and is accountable to the board of directors. The secretary of the board of directors shall be nominated by the chairman and appointed or dismissed by the board of directors.

The secretary of the board of directors shall be responsible for the preparation of shareholders' meetings and board meetings, the keeping of meeting minutes and documents, the management of shareholder materials, investor relations, information disclosure, and other daily affairs. The secretary of the board of directors shall comply with the relevant provisions of laws, regulations, normative documents, the Hong Kong Listing Rules, the working procedures for the Company secretary, and the Articles.

Article 144 The secretary of the board of directors shall possess the professional knowledge and experience necessary to perform their duties, and demonstrate good professional ethics and personal integrity.

Article 145 The company shall enter into a confidentiality agreement with the secretary of the board of directors at the time of appointment, requiring them to undertake the continuous fulfillment of confidentiality obligations during their tenure and after leaving office until the relevant information is disclosed, except for information involving the Company's violations of laws or regulations.

When the secretary of the board of directors is dismissed or resigns from office, procedures for the handover of work shall be completed. If the secretary of the board of directors fails to complete the handover procedures after submitting a resignation letter, they shall continue to perform the duties of the secretary of the board of directors. The resignation letter of the secretary of the board of directors shall become effective only after the completion of the work handover and the disclosure of the relevant announcement. Before the resignation report is effective, the secretary of the board of directors who intends to resign shall continue to perform his/her duties.

Chapter 7 Financial Accounting System, Profit Distribution and Audit

Section 1 Financial Accounting System

Article 146 The company shall establish its financial accounting system in accordance with laws, administrative regulations, the Hong Kong Listing Rules, the securities regulatory authorities of the place where the Company's shares are listed, and the relevant provisions of state departments.

Article 147 The company shall prepare its annual financial accounting report within four months from the end of each fiscal year, its semi-annual financial accounting report within two months from the end of the first six months of each fiscal year, and its quarterly financial accounting reports within one month from the end of the first three months and the first nine months of each fiscal year.

The aforementioned financial accounting reports shall be prepared in accordance with the provisions of relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed. The financial statements in the annual report shall be audited by an accounting firm that complies with the provisions of the Securities Law.

Article 148 Except for the statutory account books, the Company cannot set up other account books. The Company's funds shall not be deposited in any account opened under an individual's name.

Section 2 Profit Distribution System

Article 149 While distributing the after-tax profits of the current year, the Company shall extract the statutory reserve fund which shall be 10% of the total profits of the current year. If the Company's legal accumulation funds amount to more than 50% of the Company's registered capital, the Company may cease to extract the legal accumulation funds.

In case the statutory reserve fund is insufficient to cover the loss from the previous years, the Company shall, before extracting legal reserve as per the regulations above, cover the loss with the profits of the current year.

Subject to a resolution of the shareholders' meeting, after the allocation has been made to the statutory reserve fund of the Company from its after-tax profits, the Company may also allocate funds from the after-tax profits to the discretionary reserve fund.

The Company shall distribute the after-tax profits, after covering loss and allocating reserves, to the shareholders based on their respective share proportion, unless otherwise provided in the Articles.

Should the shareholders' meeting distribute profits to shareholders before compensating loss and extracting legal accumulation fund by going against the regulations of the aforesaid terms, the shareholders shall return the profits distributed illegally to the Company. Where losses are caused to the Company, the shareholders and the liable directors, supervisors, and officers shall bear compensation liability.

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

Article 150 The Company's common reserve fund shall be used to cover the Company's losses, expand its production and operations, or be converted into additional the registered capital of the Company. If using the reserves to make up for the Company's losses, the discretionary reserve and statutory reserve fund should be used first; if they cannot be compensated, the capital reserve can be used according to regulations.

Where the statutory common reserve fund is converted into increased registered capital, the balance of such reserve fund shall not fall below 25% of the Company's registered capital prior to such conversion.

Article 151 The company shall implement sustained and stable profit distribution policies, which are as follows:

- (1) The company shall emphasize reasonable investment returns for investors, and its profit distribution policy shall maintain continuity and stability.
- (2) The company shall adhere to the following principles when distributing dividends:
1. Comply with relevant laws, regulations, rules, and the Articles, and follow prescribed conditions and procedures; 2. Balance the long-term development of the Company and reasonable returns for investors; 3. Implement equal rights for shares of the same class and equal dividends for shares of the same class.
- (3) The company may distribute dividends in the form of cash, shares, or a combination of cash and shares. After the shareholders' meeting makes the decision of interest distribution plan, the board of directors shall complete the distribution of dividends (or shares) within two months as of the convention of the shareholders' meeting.
- (4) The company may distribute interim cash dividends based on actual profitability.
- (5) When meeting the conditions for cash dividend distribution, the Company shall in principle distribute cash dividends once every year. The annual profit distributed in cash shall not be less than 20% of the distributable profit realized in that year, and over any three consecutive years, the cumulative profit distributed in cash by the Company shall not be less than 30% of the average annual distributable profit realized during those three years.
- (6) Conditions for cash distribution: 1. The company's distributable profit for the year (i.e., the after-tax profit remaining after offsetting losses and allocating to surplus reserves) is positive; 2. The auditing institution has issued a standard unqualified audit report on the Company's financial statements for that year; 3. The balance of monetary funds as of the most recent audit reference date is not lower than the amount intended for cash dividend distribution.

Section 3 Internal Audit

Article 152 The Company shall implement internal audit system and designate full-time audit personnel to carry out internal audit and supervision for the Company's financial income and expenditure and economic activities.

Article 153 The internal audit system and the responsibilities of audit personnel shall be implemented upon approval by the board of directors. The head of internal audit shall report to and be accountable to the board of directors.

Section 4 Appointment of Accounting Firm

Article 154 The company shall appoint an accounting firm that complies with the *Securities Law*, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed to conduct financial statement audits, net asset verification, and other related advisory services. The appointment term shall be one year and may be renewed.

Article 155 The appointment and dismissal of an accounting firm by the Company must be determined by the shareholders' meeting, and the board of directors shall not appoint an accounting firm before the shareholders' meeting has made its decision.

Article 156 The Company shall guarantee to provide the accounting firm appointed with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information. The Company shall not refuse to provide or hide the same or make false reports.

Article 157 The audit fees of the accounting firm shall be determined by the shareholders' meeting.

Article 158 If the Company dismisses or no longer renews the employment of an accounting firm, it shall notify the accounting firm 30 days in advance. When the shareholders' meeting of the Company votes on the dismissal of the accounting firm, the accounting firm shall be allowed to express its opinions.

Where the accounting firm resigns its post, it shall disclose to the shareholders' meeting whether any improper circumstances exist within the Company.

Chapter 8 Notices and Announcements

Article 159 Company notices shall be issued in the following forms:

- (1) by special person;
- (2) by mail (including electronic mail, hereinafter the same);
- (3) by way of publishing information on websites designated by the Company and the HK Stock Exchange, subject to the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed;
- (4) by other means recognized by laws, administrative regulations or other normative documents, the securities regulatory authorities of the place where the Company's shares are listed, or as provided for in the Articles.

Article 160 Where the Company issues a notice by means of an announcement in compliance with laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed, and the Articles, such notice shall be deemed received by all relevant persons upon its publication.

Article 161 The notice convening a shareholders' meeting shall be made by way of announcement; and the media for publishing such announcement shall be the information disclosure newspapers designated by laws, administrative regulations, department rules, and the listing rules of the stock exchange where the Company's shares are listed.

Article 162 The notice convening a board meeting shall be delivered by personal delivery, fax, mail, or announcement.

Article 163 Where a notice of the Company is sent by courier, the addressee signs his/her name (or affixes his/her chop) on the receipt, and the date on which the addressee signs the receipt shall be the date of service; where a notice is to be sent by post, such notice is deemed to be served 3 working days after the date on which it is deposited at the post office; where a notice is sent by email, the date on which the email reaches the addressee's information system shall be deemed the date of service; the date posted shall be the date of service; where the Company's notice is sent by fax, the date on which the fax reaches the recipient's fax system shall be deemed the date of service; where a notice is issued through public announcement, it shall be deemed received by all relevant persons upon publication.

Article 164 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting and the resolutions passed at the meeting.

Article 165 Unless the context otherwise requires, the term "announcement" as used in the Articles shall, with respect to any announcement issued to H-share shareholders or any announcement required to be made in Hong Kong under relevant regulations and the Articles, mean an announcement that must be published on the Company's website, the website of The Stock Exchange of Hong Kong Limited, and any other websites prescribed from time to time by the Hong Kong Listing Rules in accordance with the requirements thereof.

Regarding the methods by which the Company provides and/or distributes corporate communications to H-share shareholders as required by the listing rules of the exchange where the Company's shares are listed, and subject to compliance with the relevant listing rules of such place, the Company may also deliver or provide such communications to its H-share shareholders electronically, or by publishing the information on the Company's website or the website of the stock exchange where its shares are listed, in place of delivering them by personal delivery or prepaid mail.

Chapter 9 Merger, Division, Increase and Decrease of Capital, Dissolution and Liquidation

Section 1 Merger, Division, Increase or Decrease of Capital

Article 166 The Company can be merged by way of absorption or by formation of a new company.

Merger of corporations refers to the kind of merger that one company absorbs other companies and the absorbed companies dissolve. When two or more companies merge to establish a new company, it is merger for new establishment, and all parties being merged shall be dissolved.

Article 167 In the event of a merger, the parties to the merger shall enter into a merger agreement, and prepare a balance sheet and an inventory of assets. The company shall notify its creditors within 10 days from the date of adopting the merger resolution and publish an announcement in newspapers, the National Enterprise Credit Information Publicity System, or on the websites and media specified in Article 165 of the Articles within 30 days. The creditor may, within 30 days from the date of receiving the notice or within 45 days from the date of public announcement if no notice received, request the Company to settle its debt or provide relevant guarantee.

Article 168 In the case of a merger of the Company, the claims and debts of each of the companies to the merger shall be succeeded to by the company continuing to exist after the merger or the newly incorporated company.

Article 169 In the case of the division of the Company, its property shall be divided accordingly.

The balance sheet and a list of property of the Company shall be prepared for the division thereof. The Company shall notify its creditors within 10 days from the date of making the resolution on division and announce it on newspapers or the National Enterprise Credit Information Publicity System within 30 days.

The debts of the Company prior to its division shall be jointly and severally assumed by the companies resulting from the division, unless otherwise agreed in a written agreement between the Company and its creditors on debt settlement prior to the division.

Article 170 Where the Company intends to reduce its registered capital, it shall formulate a balance sheet and a detailed inventory of assets. The Company shall notify its creditors within 10 days from the date of making the resolution of shareholders' meeting to reduce its registered capital and announce it on newspapers or the National Enterprise Credit Information Publicity System within 30 days. The creditor shall, within 30 days as of the date of the receipt of the notice or within 45 days as of the date of the proclamation of the notice, have the right to ask the Company for repaying the debt or providing the relevant guarantee.

When the Company reduces its registered capital, it shall correspondingly reduce the shares in proportion to the shareholding percentages of the shareholders, unless otherwise provided by law or the Articles.

In case of merger, division of the Company and there are changes in its registration details, the Company shall register for change with the Company registration authority according to laws; in case of dissolution, the Company shall register for cancellation of company according to laws; where the Company sets up a new company, the Company shall register for setup of company as per laws.

Where a company increases or reduces its registered capital, it shall apply to the Company registration authority for registration of the changes in accordance with law.

Section 2 Dissolution and Liquidation

Article 171 The company are dissolved for the following reasons:

- (1) The term of operation prescribed by the Articles has expired, or any other cause for dissolution prescribed by the Articles occurs;
- (2) The shareholders' meeting resolves to dissolve the Company;
- (3) Dissolution is necessary as a result of the merger or division of the Company;
- (4) The Company's business license is revoked, or it is ordered to close down or its registration is nullified according to laws;
- (5) Where the Company's operations and management encounter serious difficulty, and its continuation will cause substantial loss to the interests of the shareholders and no solution can be found through any other channel, shareholders holding 10% or more of the total voting rights of the Company may make requisition to the people's court to dissolve the Company.

Where the Company encounters any dissolution cause specified in the preceding paragraph, it shall publicly announce such dissolution cause through the National Enterprise Credit Information Publicity System within 10 days.

Article 172 If the Company falls under the circumstances specified in items (i) or (ii) of the paragraph 1 of Article 171 of the Articles and has not yet distributed assets to shareholders, it may continue to exist by amending the Articles or through a resolution of the shareholders' meeting.

Any amendment to the Articles pursuant to the preceding paragraph, or any resolution adopted by the shareholders' meeting, shall require the approval of more than 2/3 of the voting rights held by the shareholders attending the shareholders' meeting.

Article 173 If the Company is dissolved pursuant to items (i), (ii), (iv), or (v) of the paragraph 1 of Article 171 of the Articles, a liquidation committee shall be formed within fifteen days from the date the cause for dissolution arises to conduct liquidation.

The composition of the liquidation committee shall be determined by directors or the shareholders' meeting. If a liquidation committee is not formed within the time limit to conduct liquidation, or if the formed liquidation committee fails to carry out liquidation, interested parties may apply to the people's court for the appointment of relevant persons to form a liquidation committee to conduct liquidation.

Article 174 The liquidation team may exercise the following functions and powers during the process of liquidation:

- (1) Clear the Company's assets, and prepare a balance sheet and an inventory of assets respectively;
- (2) Notify creditors by notice or public announcements;
- (3) Handle unfinished business related to the Company's liquidation;
- (4) Pay outstanding taxes and taxes incurred during the liquidation process;
- (5) Settle claims and debts;
- (6) Distribute the residual property after the Company pays off debt;
- (7) Represent the Company in civil litigation.

Article 175 The liquidation committee shall notify creditors within 10 days from its establishment and make a public announcement on the Company's designated information disclosure media within 60 days. The creditor who have received the notice shall, within 30 days as of its acknowledgement of the receipt, and the creditor who fail to receive the notice shall within 45 days as of the date when the proclamation was made, declare their creditor's right to the liquidation team.

When submitting claims, creditors shall specify the relevant particulars of their claims and provide supporting materials. The liquidation group shall record and register such creditor's rights.

During the creditor claims declaration period, the liquidation committee should not make any repayments to creditors.

Article 176 The liquidation committee shall, after having liquidated the Company's properties and formulated balance sheets and checklists of properties, formulate a liquidation plan and submit it to the shareholders' meeting or the People's Court for confirmation.

After paying liquidation expenses, employee salaries, social insurance premiums, statutory compensation and outstanding taxes and company debts, the remaining assets of the Company shall be distributed to the shareholders in proportion to their respective capital contributions.

During the liquidation, the Company remains exist but may not carry out any business activities unrelated to the liquidation. No distribution of the Company's assets shall be made to shareholders prior to settlement in accordance with the foregoing provisions.

Article 177 Where the liquidation committee finds that the Company's assets can not pay off debts after it clears the Company's assets and prepares the balance sheet and inventory of assets, the liquidation committee shall immediately file a bankruptcy application with the People's Court.

Upon the people's court accepting the bankruptcy application, the liquidation committee shall transfer the liquidation affairs to the bankruptcy administrator designated by the people's court.

Article 178 Following the completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report, which shall be submitted to the shareholders or the People's Court for confirmation, submit it to the Company registration authority to apply for deregistration of the Company.

Article 179 Members of the liquidation committee shall perform their liquidation duties and bear their obligations of loyalty and diligence.

If the liquidation committee fails to perform their liquidation duties and cause losses to the Company, it shall be liable for compensation. If any member of the liquidation committee causes losses to the Company or its creditors due to intentional misconduct or gross negligence, such member shall be liable for compensation.

Article 180 If the Company is declared bankrupt according to law, the Company shall carry out the bankruptcy liquidation in accordance with the provisions of the applicable laws.

Chapter 10 Information Disclosure and Investor Relations Management

Section 1 Information Disclosure

Article 181 The company shall prepare and disclose periodic reports and interim reports in accordance with the relevant regulations of the China Securities Regulatory Commission and the Hong Kong Stock Exchange.

Article 182 The company's board of directors as a whole is responsible for information disclosure, with the chairman being the primary responsible person. The secretary of the board of directors is responsible for specific disclosure matters, and other directors and senior management of the Company shall provide necessary assistance to the chairman and secretary of the board of directors regarding information disclosure affairs.

Article 183 The company and its directors, and senior officers shall timely and fairly disclose all information that may materially affect the transfer price of the Company's shares and other securities, and ensure that the content of such disclosures is true, accurate, and complete, without any false records, misleading statements, or material omissions. They shall bear corresponding legal liability for the authenticity, accuracy, and completeness of such disclosures.

Article 184 The company shall publish its announcements and other information requiring disclosure in the journals and on the websites designated by the China Securities Regulatory Commission and the Hong Kong Stock Exchange for information disclosure.

Section 2 Investor Relations Management

Article 185 Investor relations refer to the relevant activities through which a company strengthens communication with existing and potential investors by facilitating the exercise of shareholder rights, making information disclosure, realizing interactive exchanges, and handling investor requests. These activities are able to enhance investors' understanding and recognition of the listed company, improve the standard of corporate governance and the overall enterprise value, and achieve the objectives of respecting, rewarding, and protecting investors.

Article 186 The first responsible person for investor relations management is the Company's chairman of the board. The secretary of the board of directors serves as the officer in charge of the Company's investor relations management work and is responsible for handling investor relations management affairs.

The company's investor relations management shall strictly comply with the requirements of relevant laws, regulations, departmental rules, and business rules. No unpublished material information may be released or disclosed in any manner during investor relations activities. If the Company discloses unpublished material information during investor relations activities, it shall immediately issue an announcement through an information disclosure platform compliant with the Securities Law and take other necessary measures.

Article 187 The content of communication between the Company and investors in investor relations management primarily includes:

- (1) The company's development strategy;
- (2) Operational and management information that the Company may lawfully disclose, including production and operation status, financial condition, research and development of new products or technologies, business performance, dividend distribution, etc.;
- (3) Material events that the Company may lawfully disclose, including major investments and changes thereof, asset restructuring, mergers and acquisitions, external cooperation, external guarantees, material contracts, connected transactions, major litigation or arbitration, changes in management, and changes in major shareholders, etc.;
- (4) Disclosure and descriptions of legal information, including regular report and temporary announcement, etc.;
- (5) Corporate culture and corporate image; and
- (6) Other information related to the Company that is of concern to investors.

Article 188 The primary subjects of investor relations management include: investors; institutions and individuals engaged in securities analysis, advisory, and other securities services; financial media, industry media, and other communication channels; regulatory authorities and other relevant individuals and institutions. The primary methods of communication between the Company and investors include (but are not limited to):

- (1) Announcement, including regular report and temporary report;
- (2) Shareholders' meetings;
- (3) Company website;
- (4) One-to-one communication;
- (5) Mailed data;
- (6) Telephone consultation;
- (7) Advertisements or other promotional materials;
- (8) Media interviews and reports;

(9) Site visits; and

(10) Roadshows.

The company shall, to the greatest extent possible, communicate with investors in a timely, in-depth, and extensive manner through various channels, and shall pay particular attention to the use of the internet to enhance communication efficiency and reduce communication costs.

Article 189 Disputes between the Company and investors may be resolved through voluntary negotiation, submission to a professional securities and futures dispute mediation institution for mediation, application to an arbitration institution for arbitration, or filing a lawsuit with a people's court.

Chapter 11 Supplementary Provisions

Article 190 The meanings of the following terms used in the Articles are:

- (1) A controlling shareholder refers to a shareholder who holds more than 50% of the ordinary shares in the total share capital of the Company; or a shareholder who, although holding less than 50% of the shares, has voting rights attributable to their shareholding sufficient to exert significant influence over resolutions passed at shareholders' meetings, or a controlling shareholder as defined by HKEX Listing Rules.
- (2) An actual controller refers to a person who is able to actually direct the actions of the Company through investment relationships, agreements, or other arrangements.
- (3) Association (connection) relationship, as defined by HKEX Listing Rules, refers to the relationship between the controlling shareholders, actual controllers, directors, and officers with the enterprises directly or indirectly controlled by them, and other relationships that may lead to interest transfer. However, state-controlled enterprises shall not be deemed as affiliated parties solely due to their common state ownership.
- (4) "Independent director" refers to an "independent non-executive director" as defined in the Hong Kong Listing Rules.
- (5) "Accounting firm" refers to an "auditor" as defined in the Hong Kong Listing Rules.

- (6) “Treasury shares” refer to shares of the Company acquired in accordance with the Company Law, the securities regulatory rules of the place where the Company’s shares are listed, and the Articles, which have not yet been transferred or cancelled. For the purposes of the Hong Kong Listing Rules, this includes shares repurchased and held by the Company or deposited with the central clearing system for sale on The Stock Exchange of Hong Kong Limited. Unless otherwise provided by the Company Law, the securities regulatory rules of the place where the Company’s shares are listed, or relevant laws and regulations, the Company shall not, directly or indirectly, vote on treasury shares at any meeting of the Company, nor shall such shares be counted in determining the total number of issued shares at any specific time.

Article 191 The board of directors can formulate the detailed rules of the Articles according to the requirements of the Articles. The detailed rules shall not conflict with the articles of association.

Article 192 The Articles shall be written in Chinese. In case of discrepancy between any other languages or different versions of the Articles and the Articles, the Chinese version of the Articles last approved by the Shenzhen Municipal Administration of Market Supervision shall prevail.

Article 193 For the purposes of the Articles, the terms “above”, and “within” shall be inclusive of the specified number; whereas the terms “less than”, “more than”, and “exceeding” shall be exclusive of the specified number.

Article 194 The Article shall be interpreted by the Company’s board of directors.

Article 195 If any provision of the Articles is inconsistent with laws, regulations, rules, the Hong Kong Listing Rules, or other securities regulatory rules of the place where the Company’s shares are listed, the provisions of such laws, regulations, rules, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company’s shares are listed shall prevail.

Article 196 The Articles shall take effect upon approval by the Company’s shareholders’ meeting. Upon the effectiveness of the Articles, the Company’s original articles of association shall automatically become void.

(No text below)

Shenzhen Hipine Precision Technology Co., Ltd.

May 11, 2026