

**Jiangsu Slender West Lake Culture  
and Tourism Co., Ltd.**  
江蘇瘦西湖文化旅遊股份有限公司

**Articles of Association (Draft)**

(Applicable upon listing of H Shares)

August 2026

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# Articles of Association of Jiangsu Slender West Lake Culture and Tourism Co., Ltd. (Draft)

(Applicable upon listing of H Shares)

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to safeguard the lawful rights and interests of the Company, shareholders, employees and creditors, and to regulate the organization and conduct of the Company, these Articles are formulated in accordance with the Company Law of the People's Republic of China (hereinafter the "**Company Law**"), the Securities Law of the People's Republic of China (hereinafter the "**Securities Law**"), the Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Companies (hereinafter the "**Trial Administrative Measures**"), the Measures for the Supervision and Administration of Non-listed Public Companies, the Corporate Governance Rules for Companies Listed on the National Equities Exchange and Quotations, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter the "**Listing Rules**") and other laws and regulations, and with reference to the Guidelines for Articles of Association of Listed Companies and other relevant provisions of the China Securities Regulatory Commission (hereinafter the "**CSRC**") on corporate governance.

**Article 2** Jiangsu Slender West Lake Culture and Tourism Co., Ltd. (江蘇瘦西湖文化旅遊股份有限公司) is a joint stock limited company established in accordance with the Company Law and other relevant provisions (hereinafter the "**Company**").

The Company was established through the overall conversion of Yangzhou Ancient Canal Tourism Co., Ltd.\* (揚州市古運河旅遊有限責任公司) (hereinafter the "**Limited Company**"), with the original shareholders of the Limited Company acting as promoters. It was registered with the Yangzhou Municipal Administrative Approval Bureau and obtained a business license, with the unified social credit code 91321000792315106N.

On March 28, 2017, the Company obtained the letter issued by National Equities Exchange and Quotations Co., Ltd. (hereinafter the "**NEEQ Company**"), namely the Letter on Approving the Listing of Shares of Jiangsu Slender West Lake Culture and Tourism Co., Ltd. on the National Equities Exchange and Quotations System (NEEQ System Letter [2017] No. 1830); the Company's shares have been listed and publicly transferred on the National Equities Exchange and Quotations System (hereinafter the "**NEEQ System**") since May 9, 2017, securities abbreviation: Slender West Lake, securities code: 871343.

On [●], the Company completed filing with the CSRC, and on [●], was approved by The Stock Exchange of Hong Kong Limited (hereinafter the "**Stock Exchange**") to make an initial public offering of [●] overseas listed shares (hereinafter "**H Shares**") in Hong Kong, China; the aforesaid H Shares were listed on the Main Board of the Stock Exchange on [●].

**Article 3** Chinese name of the Company: 江蘇瘦西湖文化旅遊股份有限公司

English name of the Company: Jiangsu Slender West Lake Culture and Tourism Co., Ltd.

**Article 4** Domicile of the Company: No. 20 Gaoqiao South Street, Yangzhou City.

**Article 5** Registered capital of the Company is RMB[●] million.

**Article 6** The Company is a joint stock limited company with perpetual existence.

**Article 7** The Company's legal representative shall be assumed by the director who represents the Company in executing corporate affairs. The chairman of the board of directors represents the Company in executing corporate affairs and serves as the Company's legal representative.

Where the chairman serving as the legal representative resigns, he/she shall be deemed to have simultaneously resigned as the legal representative. Where the legal representative resigns, the Company shall determine a new legal representative within thirty days from the date of such resignation.

**Article 8** All of the Company's assets are divided into shares of equal value. shareholders shall be liable to the Company to the extent of the shares they have subscribed for, and the Company shall be liable for its debts to the extent of all its assets.

**Article 9** From the date of its effectiveness, these Articles shall become a legally binding document governing the organization and conduct of the Company and the rights and obligations between the Company and its shareholders and among shareholders, and shall be legally binding on the Company, its shareholders, directors and senior management. Pursuant to these Articles, a shareholder may sue another shareholder, a shareholder may sue a director or senior manager of the Company, a shareholder may sue the Company, and the Company may sue a shareholder, director or senior manager.

Disputes among the Company, shareholders, investors, directors and senior management involving matters stipulated in these Articles shall first be resolved through negotiation; if negotiation fails, any party may submit the dispute to a professional securities and futures dispute mediation institution for mediation; if mediation fails, the party may, in accordance with the agreement among the parties or relevant provisions, apply to an arbitration institution for arbitration or institute legal proceedings in a people's court. Where the dispute is resolved through arbitration, the arbitration shall be conducted by the Yangzhou Arbitration Commission.

**Article 10** "Senior management" referred to in these Articles means the Company's general manager, deputy general manager, secretary of the board of directors and chief financial officer (financial director).

**Article 11** In accordance with the provisions of the Constitution of the Communist Party of China, the Company shall establish a Party organization, uphold Party leadership, strengthen Party building, and give full play to the Party organization's role as the leadership core and political core,

steering direction, managing the overall situation and ensuring implementation. The Company shall establish Party working bodies, be staffed with a sufficient number of Party affairs personnel, and guarantee the working funds of the Party organization.

## **CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE**

**Article 12** Business objectives of the Company: to be market-oriented and efficiency-centered, to establish and improve the Company's systems, to strengthen quality service and safety management, to build a distinctive tourism service brand, and to enable the Company to achieve maximum economic and social benefits.

**Article 13** As registered in accordance with law, the Company's business scope is: water tourism sightseeing reception services within the non-navigable waters of the Yangzhou Ancient Canal, and cruise boat leasing; sightseeing activities in the inland waters of Yangzhou (operated within the route scope approved by the local maritime safety administration); landscaping maintenance services; small restaurants (including cold dishes, excluding buttercream cakes and excluding raw seafood, with dining reception premises); sale of general merchandise, tourist souvenirs, prepackaged foods, alcohol and beverages; and conference services. (Projects requiring approval in accordance with law may be carried out only after approval by the relevant authorities.) General items: organizing cultural and artistic exchange activities; tourism development project planning and consulting; recreational activities with small facilities in parks and scenic areas; advertising design, agency; advertising publication; advertising production; leisure sightseeing activities; leasing services (excluding licensed leasing services) (except for projects requiring approval in accordance with law, the Company may independently carry out business activities in accordance with its business license).

## **CHAPTER 3 SHARES**

### **Section 1 Issuance of Shares**

**Article 14** The shares of the Company shall take the form of registered shares.

**Article 15** The shares of the Company shall be issued in accordance with the principles of openness, fairness, and impartiality. Shares of the same class shall have the same rights.

For shares of the same class issued at the same time, the conditions of issuance and price of each share shall be the same. The price of each share subscribed for by any organization or individual shall be the same.

**Article 16** The par value of the shares issued by the Company is denominated in Renminbi.

**Article 17** The Company's shares listed on the NEEQ System are centrally deposited at China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company may be mainly deposited at a nominee company under Hong Kong Securities Clearing Company Limited, in accordance with the laws and the customary practice of registration and deposit of securities of the jurisdiction where they are listed.

**Article 18** All promoters of the Company subscribed for the shares of the Company by converting the net assets corresponding to their shareholdings in the former Yangzhou Ancient Canal Tourism Limited Company\* (揚州市古運河旅遊有限責任公司) into shares, and had fully paid up the registered capital upon the establishment of the Company. The promoters and the number of shares subscribed by them upon the establishment of the Company are as follows:

| No.          | Name of shareholders                                                              | Form of contribution | Number of shares held (shares) | Percentage of shareholding (%) |
|--------------|-----------------------------------------------------------------------------------|----------------------|--------------------------------|--------------------------------|
| 1            | Yangzhou Slender West Lake Tourism Development Group Co., Ltd.* (揚州瘦西湖旅遊發展集團有限公司) | Net assets           | 6,293,750                      | 62.50                          |
| 2            | Yangzhou Quanyu Tourism Co., Ltd.* (揚州全域旅遊有限公司)                                   | Net assets           | 2,769,250                      | 27.50                          |
| 3            | Ge Changyun                                                                       | Net assets           | 1,007,000                      | 10.00                          |
| <b>Total</b> |                                                                                   |                      | <b>10,070,000</b>              | <b>100.00%</b>                 |

**Article 19** Upon the completion of the initial public offering of H Shares, assuming Over-allotment Option is not exercised, the share capital structure of the Company as at the date of its listing on The Stock Exchange of Hong Kong Limited will be as follows: the total number of shares of the Company shall be [●] shares and the share capital structure of the Company is [●] ordinary shares, of which [●] shares are H Shares. The nominal value of each share is RMB1.

**Article 20** Neither the Company nor its subsidiaries (including affiliated companies of the Company) may provide financial assistance to any person for the acquisition of shares of the Company or its parent company in the form of gifts, advances of funds, guarantees, compensation, borrowings or other forms, except for the implementation of the employee stock ownership plan by the Company.

Subject to the requirements of laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed, the Company may, for the benefit of the Company, provide financial assistance for others to obtain shares of the Company or its parent company, upon a resolution of the shareholders' meeting or a resolution of the board of directors in accordance with these Articles or the authorization of the shareholders' meeting, provided that the aggregate amount of financial assistance shall not exceed 10% of the total issued share capital. Resolutions of the board of directors shall be passed by not less than two-thirds of all directors.

In case of a violation of the preceding two paragraphs that results in losses to the Company, any directors and senior officers responsible for the violation shall be liable for compensation.

## **Section 2 Increase, Decrease and Repurchase of Shares**

**Article 21** Based on its operating and development needs, the Company may, pursuant to the laws, regulations and regulatory rules for securities of the place where the Company's shares are listed and with the approval by resolution at the shareholders' meeting, increase its registered capital in the following ways:

- (1) issuance of shares to unspecified parties;
- (2) issuance of shares to specific parties;
- (3) distribute bonus shares to existing shareholders;
- (4) convert reserve fund into additional share capital;
- (5) any other means as permitted by the laws, administrative regulations, the CSRC, the stock exchange and securities regulatory authority at the place where the Company's shares are listed.

The existing shareholders of the Company shall have no pre-emptive right to subscribe for shares issued by the Company, unless otherwise stipulated by the shareholders' meeting.

**Article 22** The Company may reduce its registered capital. If the Company reduces its registered capital, such reduction shall be made in accordance with the procedures set out in the Company Law as well as other relevant regulations and these Articles.

**Article 23** The Company shall not acquire shares of the Company. However, except in one of the following circumstances:

- (1) reduction of the registered capital of the Company;
- (2) merging with another company that holds shares in the Company;
- (3) use of shares for employee stock ownership plan or equity incentive;
- (4) shareholders who are against merger and division resolutions made by the Company's shareholders' meetings and request the Company to buy back their shares;
- (5) use of shares for conversion of corporate bonds issued by the Company that are convertible into shares;
- (6) necessary for the Company to preserve the value of the Company and the rights of its shareholders;
- (7) other circumstances permitted by laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

**Article 24** The Company may purchase its shares through public centralized trading or other methods recognized by laws, administrative regulations, the Listing Rules, the CSRC and the stock exchanges and securities regulatory authorities of the place where the Company's shares are listed.

The purchase of its shares by the Company under the circumstances set out in items (3), (5) and (6) of Article 23 shall be conducted through public centralized trading.

**Article 25** Where the Company purchases its shares under the circumstances set out in items (1) and (2) of Article 23, a resolution shall be passed at the shareholders' meeting. Where the Company purchases its shares under the circumstances set out in items (3), (5) and (6) of Article 23, a resolution shall be passed at a board meeting attended by more than two-thirds of the directors, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed.

After purchasing its own shares, the Company shall perform its information disclosure obligations in accordance with the Securities Law, the rules of the stock exchanges of the places where the Company's shares are listed and other securities regulatory rules.

Where the Company purchases its shares under the circumstances set out in item (1) of Article 23, such shares shall be cancelled within 10 days from the date of purchase; where the Company purchases its shares under the circumstances set out in items (2) and (4), such shares shall be transferred or cancelled within 6 months; where the Company purchases its shares under the circumstances set out in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within 3 years.

If the securities regulatory rules of the place where the Company's shares are listed provide otherwise in respect of the matters referred to in this Article, such provisions shall prevail, provided that they do not violate the Company Law, the Securities Law, the Trial Administrative Measures and other applicable domestic laws and regulations.

### **Section 3 Transfer of Shares**

**Article 26** Shares of the Company shall be transferred in accordance with laws.

All transfers of the H Shares shall adopt written instruments of transfer in the ordinary or general form or in any other form acceptable to the board of directors (including the standard transfer form or any transfer form prescribed by the Stock Exchange from time to time); such written instruments of transfer may only be signed manually or stamped with effective seal of the company (if the transferor or the transferee is a company). If the transferor or transferee is a recognized clearing house (the "**Recognized Clearing House**") or its agents as defined in the relevant regulations in force under the laws of Hong Kong from time to time, the instrument of transfer may be executed manually or in machine-printed form. Each instrument of transfer shall be kept at the legal address of the Company or such other place as the board of directors may appoint from time to time for such purpose.

**Article 27** The Company shall not accept shares of the Company as the subject of any pledge.

**Article 28** The directors and senior management officers of the Company shall report to the Company the number of shares of the Company held by them and the subsequent changes in their shareholdings, and the number of shares which may be transferred every year during their terms of office as determined at the time of their appointment shall not exceed 25% of the total number of the Company's shares held by them respectively; such personnel shall not transfer the Company's shares held by them within six months after they have terminated their employment with the Company.

Where the securities regulatory rules of the places where the Company's shares are listed provide otherwise in respect of the restrictions on the transfer of shares, such rules shall prevail

**Article 29** If a shareholder holding not less than 5% of the shares of the Company (excluding Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited), director, or senior management of the Company sell the shares or other securities with an equity nature of the Company within six months after buying them, or buys them within six months after selling them, all the gains arising thereof shall belong to the Company, and such gains shall be collected by the board of directors of the Company. However, exceptions shall be made for any holding not less than 5% of the shares of the Company by any securities company as a result of its purchase of remaining shares sold under an underwriting obligation and other circumstance as prescribed by the CSRC.

Shares or other securities of equity nature held by directors, senior management officers and natural person shareholders as referred to in the preceding paragraph include those held by their spouses, parents and children and those held using the accounts of others.

If the board of directors of the Company fails to comply with the provisions set forth in the first paragraph of this Article, a shareholder shall have the right to require the board of directors to effect the same within thirty days. If the board of directors fails to do so within the said time limit, a shareholder shall have the right to institute proceedings in a people's court directly in his own name for the benefit of the Company.

If the board of directors of the Company fails to comply with the provisions set forth in the first paragraph of this Article, any director(s) held responsible shall be jointly and severally liable therefor in accordance with the law.

In addition to the transfer restrictions and requirements as stipulated in these Articles, shareholders or individuals holding the shares or other equity securities of the Company shall also abide by other restrictions and requirements stipulated under the laws and regulations including the Company Law, the Securities Law, the Trial Administration Measures and the Listing Rules, the regulatory rules of the CSRC as well as the securities regulatory rules of the place(s) where the Company's shares are listed.

## **CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' MEETINGS**

### **Section 1 Shareholders**

**Article 30** The Company shall maintain a register of shareholders with the evidence provided by the securities registration institution in accordance with laws, and the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company. The original register of shareholders of H Shares shall be kept in Hong Kong for inspection by shareholders. However, the Company may suspend registration of shareholders in accordance with applicable laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed. A shareholder shall enjoy rights and assume obligations according to the class of shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations

Where any shareholder whose name has been registered in the register of shareholders or any person who requires to have his/her name (or description) entered into the register of shareholders has lost his/her share certificate(s), he/she may apply to the Company for the issue of replacement certificate(s) in respect of such shares. The application for the issue of replacement certificates by holders of H Shares who lost their share certificates shall be made in accordance with the laws, stock exchange regulations or other relevant regulations of the place where the original of the register of members of such H Shares is kept.

**Article 31** When the Company holds a shareholders' meeting, distributes dividends, commences liquidation or participates in other activities which require the confirmation of shareholder identities, the board of directors or the convener of the shareholders' meeting shall fix a date as the date for the registration of shareholdings. Shareholders whose names appear on the register of shareholders at the closing of the registration of shareholdings will be the shareholders of the Company who are entitled to relevant benefits.

**Article 32** The shareholders of the Company shall be entitled to the following rights:

- (1) the right to receive dividends and other profit distributions in proportion to their shareholding;
- (2) the right to request, convene, preside over, attend or appoint proxies to attend shareholders' meetings and to exercise the corresponding voting rights in accordance with the laws;
- (3) the right to supervise the operation of the Company, to present proposals or to raise enquires;
- (4) the right to transfer, gift or pledge shares held by them in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed and these Articles;
- (5) the right to inspect and copy these Articles, the register of shareholders, minutes of shareholders' meetings, resolutions of the board meetings, and financial and accounting reports; shareholders who meet the relevant requirements may inspect the Company's accounting books and accounting vouchers;

- (6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of remaining assets of the Company in accordance with their shareholding;
- (7) with respect to the shareholders who vote against any resolution adopted at the shareholders' meeting on the merger or spin-off of the Company, the right to demand the Company to buy back their shares;
- (8) other rights prescribed by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed or these Articles.

**Article 33** If a shareholder requests to inspect or copy relevant materials of the Company, it shall comply with the provisions of laws and administrative regulations such as the Company Law and the Securities Law, and shall provide the Company with written documents evidencing the class and number of shares it holds in the Company. The Company shall, after verifying its/his/her identity as a shareholder, make available such information and documents as requested by such shareholder.

**Article 34** A shareholder shall have the right to petition the people's court to invalidate any resolution of the shareholders' meeting or the board meeting of the Company that violates the relevant laws and administrative regulations.

If any shareholders' meeting or board meeting has been convened or held any vote in violation of the procedural rules set forth in relevant laws and administrative regulations or these Articles, or adopted any resolution in violation of the provisions of these Articles, any shareholder may petition the people's court to revoke the relevant resolution within sixty days following the adoption thereof, except in cases where there are only minor defects in the procedure for convening the shareholders' meeting or board meeting or the voting method used in the meetings, which had no material impact on the resolution.

**Article 35** A resolution of the shareholders' meeting or the board of directors shall not be established under any of the following circumstances:

- (1) the resolution is made without convening a shareholders' meeting or a board meeting;
- (2) the shareholders' meeting or the board meeting fails to vote on the matter of the resolution;
- (3) the number of persons attending the meeting or the number of voting rights held thereby fails to reach the number of persons or the number of voting rights prescribed by the Company Law or these Articles;
- (4) the number of persons approving the matter of the resolution or the number of voting rights held thereby fails to reach the number of persons or the number of voting rights prescribed by the Company Law or these Articles.

**Article 36** If a director or senior management member other than a member of the Audit Committee, in performing his/her duties for the Company, violates laws, administrative regulations or these Articles and causes losses to the Company, shareholders who have individually or collectively held more than one percent of the Company's shares for one hundred and eighty consecutive days or more shall have the right to request the Audit Committee in writing to institute legal proceedings in the people's court; if a member of the Audit Committee, in performing his/her duties for the Company, violates laws, administrative regulations or these Articles and causes losses to the Company, the aforesaid shareholders may request the board of directors in writing to institute legal proceedings in the people's court.

If the Audit Committee or the board of directors refuses to institute legal proceedings after receiving the written request from the shareholders as provided in the preceding paragraph, or fails to institute legal proceedings within thirty days from the date of receipt of the request, or if the circumstances are urgent and failure to institute legal proceedings immediately will cause irreparable damage to the interests of the Company, the shareholders as provided in the preceding paragraph shall have the right to directly institute legal proceedings in the people's court in their own name for the benefit of the Company.

If others infringe upon the Company's lawful rights and interests, causing losses to the Company, the shareholders as specified in the first paragraph of this section may bring legal proceedings before a People's Court in accordance with the provisions of the preceding two paragraphs.

If the directors, supervisors, or senior executives of the Company's wholly-owned subsidiaries violate laws, administrative regulations, or the provisions of these Articles while performing their duties, thereby causing losses to the Company, or if others infringe upon the lawful rights and interests of the Company's wholly-owned subsidiaries and cause losses, shareholders who have continuously held, either individually or in combination, more than one percent of the Company's shares for a period of one hundred and eighty days or more may, in accordance with the first three paragraphs of Article 189 of the Company Law, make a written request to the Supervisory Committee or the board of directors of the wholly-owned subsidiary to initiate legal proceedings before a People's Court, or initiate legal proceedings on their own behalf directly before a People's Court.

**Article 37** Where directors or members of senior management breach the provisions of laws, administrative regulations or these Articles and thereby prejudice the interests of shareholders, the shareholders may bring an action before a People's Court.

**Article 38** The shareholders of the Company shall undertake the following obligations:

- (1) to abide by laws, administrative regulations, departmental rules, the Listing Rules, regulatory rules of the place where the Company's shares are listed and these Articles;
- (2) to pay subscription funds according to the number of shares subscribed and the method of subscription;

- (3) not to withdraw their share capital, except as provided in laws and regulations;
- (4) not to abuse shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the Company's position as an independent legal person and the limited liability of shareholders to harm the interests of any creditor of the Company;
- (5) to undertake other obligations stipulated in the laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Shareholders of the Company who abuse their shareholder's rights and thereby cause loss on the Company or other shareholders shall be liable for indemnity according to the law; where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company.

**Article 39** A shareholder holding five per cent or more of the Company's shares with voting rights who pledges such shares shall submit a written report to the Company on the date on which such event occurs.

## **Section 2 Controlling Shareholders and Actual Controllers**

**Article 40** The controlling shareholders and actual controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the requirements of the CSRC, the stock exchange on which the Company's shares are listed, and the securities regulatory authorities, and shall safeguard the interests of the Company.

**Article 41** The controlling shareholders and actual controllers of the Company shall comply with the following provisions:

- (1) to exercise shareholders' rights in accordance with the law, and refrain from abusing their control or using related party relationships to harm the legitimate rights and interests of the Company or other shareholders;
- (2) to strictly fulfill public statements and undertakings made, and not arbitrarily modify or waive them;
- (3) to strictly fulfill information disclosure obligations in accordance with relevant requirements, actively cooperate with the Company in information disclosure, and promptly inform the Company of material events that have occurred or are intended to occur;
- (4) not to appropriate the funds of the Company in any way;
- (5) not to coerce, instigate or require the Company and relevant personnel to provide guarantees in violation of laws or regulations;

- (6) not to use undisclosed material information of the Company for personal gain, disclose such information in any way, or engage in illegal activities such as insider trading, short-swing trading or market manipulation;
- (7) shall not damage the legitimate rights and interests of the Company and other shareholders through any means, including but not limited to non-arm's length connected transactions, profit distribution, asset restructuring, and external investment;
- (8) shall ensure the integrity of the Company's assets, independent personnel, independent finance, independent organisational structure, and independent business operations, and shall not affect the Company's independence in any manner;
- (9) other provisions of laws, administrative regulations, rules of the CSRC, securities regulatory rules of the place where the Company's shares are listed, and these Articles.

Where a controlling shareholder or actual controller of the Company does not hold the office of director but actually executes the affairs of the Company, the provisions of these Articles regarding the duties of loyalty and diligence of directors shall apply.

If a controlling shareholder or actual controller of the Company instructs any director or senior management to engage in any act that damages the interests of the Company or its shareholders, such controlling shareholder or actual controller shall bear joint and several liability with such director or senior management.

**Article 42** Where a controlling shareholder or actual controller pledges the Company's shares held or actually controlled by it/him, it/he shall maintain the stability of the Company's control and its production and business operations.

**Article 43** Where a controlling shareholder or actual controller transfers the shares of the Company held by it/him, it/he shall comply with the restrictive provisions on share transfers and the undertakings given in respect of restricting share transfers as set out in laws, administrative regulations, the rules of the CSRC, and the stock exchange and securities regulatory authorities of the place where the Company's shares are listed.

### **Section 3 General Provisions on the Shareholders' Meeting**

**Article 44** The shareholders' meeting of the Company shall be composed of all shareholders. The shareholders' meeting is the supreme authority of the Company and shall exercise the following functions and powers in accordance with the law:

- (1) to elect and replace directors, and to decide on matters relating to their remuneration;
- (2) to review and approve the reports of the board of directors;
- (3) to review and approve the profit distribution scheme and the scheme for making up losses of the Company;

- (4) to resolve on the increase or reduction of the registered capital of the Company;
- (5) to resolve on the issuance of corporate bonds;
- (6) to resolve on the merger, division, dissolution, liquidation, or change of corporate form of the Company;
- (7) to amend these Articles;
- (8) to resolve on the engagement or dismissal of an accounting firm to undertake the Company's audit business;
- (9) to review and approve guarantee matters that are required to be approved by the shareholders' meeting as stipulated in these Articles;
- (10) to review and approve material transaction matters as stipulated in Article 47;
- (11) to review and approve any change in the use of raised funds;
- (12) to review equity incentive plans and employee share ownership plans;
- (13) to authorise the board of directors to resolve on the issuance of corporate bonds, provided that such resolution complies with the relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed;
- (14) to consider and decide on other matters that are required by laws, administrative regulations, departmental rules, the Listing Rules, securities regulatory rules of the place where the Company's shares are listed, or these Articles to be decided by the shareholders' meeting.

For any transaction under which the Company unilaterally obtains benefit, including acceptance of cash donations, debt relief, acceptance of guarantees and financial assistance, the procedure for review and approval by the shareholders' meeting under paragraph 1(10) of this Article may be exempted. For any transaction between the Company and its holding subsidiaries included in its consolidated financial statements, or between the aforementioned subsidiaries, the procedure for review and approval by the shareholders' meeting under paragraph 1(10) of this Article shall be exempted, unless otherwise provided or unless the legitimate rights and interests of shareholders are damaged.

**Article 45** Where the provision of financial assistance by the Company to external parties falls under any of the following circumstances, it shall be subject to approval by the shareholders' meeting:

- (1) the latest debt-to-asset ratio of the recipient of the financial assistance exceeds 70%;

- (2) the amount of financial assistance provided for a single time or the accumulated amount of financial assistance provided within 12 consecutive months exceeds 10% of the Company's latest audited net assets;
- (3) other circumstances prescribed by the CSRC, NEEQ System, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, or these Articles.

The Company shall not provide any funds or other forms of financial assistance to its related parties, including its directors, senior management, controlling shareholders, actual controllers and the enterprises controlled by them.

If any external financial assistance is overdue and remains unrecovered, the Company shall not continue to provide financial assistance to the same recipient or provide any additional financial assistance to it.

**Article 46** The following external guarantee activities of the Company must be approved by the shareholders' meeting:

- (1) any guarantee provided by the Company and its controlled subsidiaries after the total amount of external guarantees exceeds 50% of the Company's most recently audited net assets;
- (2) any guarantee provided after the Company's total external guarantees exceed 30% of the Company's most recently audited total assets;
- (3) any guarantee provided to others within one year that exceeds 30% of the Company's most recently audited total assets;
- (4) guarantees provided to guarantee subjects with a debt-to-asset ratio exceeding 70%;
- (5) guarantees where the amount of a single guarantee exceeds 10% of the Company's most recently audited net assets;
- (6) guarantees provided to shareholders, actual controllers and their related parties;
- (7) other circumstances prescribed by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed, or these Articles.

When the Company provides guarantees to its wholly-owned subsidiaries, or provides guarantees to its holding subsidiaries where the other shareholders of the holding subsidiaries provide guarantees in the same proportion according to their equity interests and such guarantees do not harm the Company's interests, the provisions of paragraphs (1), (4) and (5) of this Article may be exempted.

When the shareholders' meeting reviews a proposal to provide guarantees to shareholders, actual controllers, and their related parties, such shareholder or shareholders under the control of the actual controller shall not participate in the voting on such proposal, and the proposal shall be passed by more than half of the voting rights held by the other shareholders present at the shareholders' meeting.

When the Company provides guarantees to related parties, it shall have a reasonable commercial rationale and submit the proposal to the shareholders' meeting for approval after it has been passed by the board of directors. When the Company provides guarantees to the controlling shareholder, actual controller and their related parties, the controlling shareholder, actual controller and their related parties shall provide counter-guarantees.

**Article 47** Any transaction of the Company (other than the provision of guarantees) that meets one of the following criteria shall be submitted for approval at the shareholders' meeting:

- (1) the total value of the assets involved in the transaction (based on the higher of the book value and the appraised value, where both exist) or the transaction amount constitutes 50% or more of the Company's total assets as audited in the most recent financial year;
- (2) the net asset value involved in the transaction or the transaction amount constitutes 50% or more of the absolute value of the Company's net assets as audited in the most recent financial year and exceeds RMB15 million;
- (3) the approval of matters relating to the purchase or sale of material assets by the Company within one year, where the total value exceeds 30% of the Company's total assets as audited in the most recent period.

**Article 48** The following related party transactions of the Company shall be approved at the shareholders' meeting:

- (1) transactions with related parties (excluding the provision of guarantees) where the transaction amount constitutes 5% or more of the Company's total assets as audited in the most recent period and exceeds RMB 30 million; or
- (2) transactions where the transaction amount constitutes 30% or more of the Company's total assets as audited in the most recent period.

For recurring related party transactions with related parties occurring on an annual basis, the Company may make a reasonable forecast of the aggregate amount of such transactions expected to occur during the current year prior to the disclosure of the previous year's annual report, and submit the same to the board of directors or the shareholders' meeting for review and approval based on forecasted amount. In the event that the actual aggregate amount exceeds the forecasted amount during execution, the Company shall comply with the corresponding review and approval procedures for the matters involving the excess amount.

The Company shall submit the following transactions to the board of directors or the shareholders' meeting for review and approval based on the principle of cumulative calculation over 12 consecutive months:

- (1) transactions conducted with the same related party;
- (2) transactions in relation to the subject matter category conducted with different related parties.

The aforementioned same related party includes any legal person or other organization that is controlled by the same ultimate controlling party as such related party, or has an equity control relationship, or has the same natural person serving as a director or senior management. If the relevant obligations have been fulfilled in accordance with the provisions of this chapter, they shall no longer be included in the cumulative calculation scope.

The following related party transactions between the Company and its related parties are exempted from consideration in the manner of related party transactions:

- (1) one party subscribes to the other party's public offering of shares, corporate bonds, debentures, convertible corporate bonds, or other types of securities in cash;
- (2) one party acts as a member of an underwriting syndicate to underwrite the other party's public offering of shares, corporate bonds or debentures, convertible bonds or other types of securities;
- (3) one party receives dividends, bonuses or remuneration based on a resolution of the shareholders' meeting of the other party;
- (4) one party participates in the public bidding or auction of the other party, except where it is difficult to form a fair price through bidding or auction;
- (5) transactions in which the Company unilaterally obtains benefits, including receiving gifts of cash assets, being granted debt relief, and accepting guarantees and assistance;
- (6) related party transactions of which prices are determined by the State;
- (7) the related party provides funds to the Company at an interest rate not higher than the benchmark interest rate for loan for the same period stipulated by the People's Bank of China, and the Company does not provide any corresponding guarantee for the financial assistance;
- (8) the Company provides products and services to directors and senior management members on the same trading terms as provided to non-related parties;
- (9) other transactions specified by the CSRC, the NEEQ System, the securities regulatory authority of the place where the Company's shares are listed, and the Stock Exchange.

**Article 49** General meetings may be either annual or extraordinary. The annual general meeting shall be held once a year within six months after the closing of the previous accounting year.

**Article 50** Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of occurrence:

- (1) when the number of incumbent directors falls below the requirement of the Company Law, or is less than two-thirds of the number specified by these Articles;
- (2) when the uncovered loss of the Company reaches one-third of the total paid-in share capital;
- (3) upon request by shareholders individually or collectively holding not less than 10% of the Company's shares;
- (4) when the board of directors considers it necessary;
- (5) when the Audit Committee proposes such a meeting be held;
- (6) other circumstances specified by the laws, administrative regulations, departmental rules, Listing Rules, other securities regulatory rules of the place(s) where the Company's shares are listed, or these Articles.

If the extraordinary general meeting is convened in accordance with the requirements of the securities regulatory rules of the place(s) where the Company's shares are listed, the actual date of the extraordinary general meeting may be adjusted according to the approval progress of the stock exchange at the place where the Company's shares are listed.

**Article 51** The place for convening a shareholders' meeting of the Company shall be the domicile of the Company or other locations specified in the notice of the shareholders' meeting. A venue shall be set for the shareholders' meeting which shall be convened on site. The Company shall provide online voting when convening a shareholders' meeting. Shareholders who participate in the shareholders' meeting through online voting shall be deemed present.

Where voting during a shareholders' meeting convened by the Company takes the form of online voting, the Company shall provide a safe, economical and convenient shareholders' meeting online voting system for the shareholders. Investors shall confirm their legal and valid identity as shareholders with legal and valid voting rights by undergoing identity verification through the online voting system for the shareholders' meeting. If the Company convenes a shareholders' meeting and voting is to be done by other means recognized or required by the securities regulatory authority, the identity of the shareholder shall be confirmed in accordance with the relevant operational rules.

**Article 52** When convening an annual general meeting and a shareholders' meeting that provides online voting, the Company shall retain a lawyer to issue a legal opinion on the following matters:

- (1) whether the convening of the meeting and the procedures for convening the meeting are in compliance with the laws, administrative regulations and these Articles;
- (2) whether the qualifications of the officers present at the meeting, and of the convener are lawful and valid;
- (3) whether the voting procedures at the meeting and the voting results are lawful and valid;
- (4) legal opinions to be presented on other relevant matters at the request of the Company.

#### **Section 4 Convening of Shareholders' Meetings**

**Article 53** The board of directors shall convene shareholders' meetings on time within the prescribed period.

With the approval of more than half of all independent directors, the independent directors shall have the right to propose to the board of directors that an extraordinary general meeting be convened. In respect of a proposal by the independent directors to convene an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations and these Articles, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within ten days after receiving the proposal.

Where the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within five days after the resolution of the board of directors is passed. Where the board of directors disagrees to convene an extraordinary general meeting, it shall state the reasons therefor and make an announcement.

**Article 54** Where the Audit Committee proposes to the board of directors that an extraordinary general meeting be convened, it shall make such proposal to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations and these Articles, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within ten days after receiving the proposal.

Where the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within five days after the resolution of the board of directors is passed. Any amendment to the original proposal in the notice shall be subject to the consent of the Audit Committee.

Where the board of directors disagrees to convene an extraordinary general meeting, or fails to provide feedback within ten days after receiving the proposal, it shall be deemed that the board of directors is unable or fails to perform its duties to convene the shareholders' meeting, and the Audit Committee may convene and preside over the shareholders' meeting on its own.

**Article 55** Shareholders individually or collectively holding 10% or more of the Shares of the Company who request the board of directors to convene an extraordinary general meeting shall make such request to the board of directors in writing. The board of directors shall, in accordance with the laws, administrative regulations and these Articles, provide written feedback on whether it agrees or disagrees to convene the extraordinary general meeting within ten days after receiving the request.

Where the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within five days after the resolution of the board of directors is passed. Any amendment to the original request in the notice shall be subject to the consent of the relevant shareholders.

Where the board of directors disagrees to convene an extraordinary general meeting, or fails to provide feedback within ten days after receiving the request, shareholders individually or collectively holding 10% or more of the Shares of the Company may propose to the Audit Committee that an extraordinary general meeting be convened, and shall make such request to the Audit Committee in writing.

Where the Audit Committee agrees to convene an extraordinary general meeting, it shall issue a notice of the shareholders' meeting within five days after receiving the request. Any amendment to the original request in the notice shall be subject to the consent of the relevant shareholders.

Where the Audit Committee fails to issue a notice of the shareholders' meeting within the prescribed period, the Audit Committee shall be deemed not to convene and preside over the shareholders' meeting, and shareholders who have individually or collectively held 10% or more of the Shares of the Company for 90 consecutive days or more may convene and preside over the shareholders' meeting on their own.

Where otherwise provided under the laws, administrative regulations, departmental rules, the Listing Rules or other securities regulatory rules applicable in the place where the Company's Shares are listed, such provisions shall prevail.

**Article 56** Where the Audit Committee or the shareholders decides to convene the shareholders' meeting on its own, it shall notify the board of directors in writing and file the relevant documents with the Stock Exchange.

The Audit Committee or the convening shareholders shall submit the relevant supporting documents to the stock exchange when issuing the notice of the shareholders' meeting and the announcement of the resolutions of the shareholders' meeting.

Prior to the announcement of the resolutions of the shareholders' meeting, the shareholding percentage of the convening shareholders shall not be less than 10%.

**Article 57** In respect of a shareholders' meeting convened by the Audit Committee or the shareholders on their own, the board of directors and the secretary to the board of directors shall provide assistance. The board of directors shall provide the register of shareholders as at the record date.

**Article 58** The expenses necessary for a shareholders' meeting convened by the Audit Committee or the shareholders on their own shall be borne by the Company.

## **Section 5 Proposals and Notice of Shareholders' Meetings**

**Article 59** The contents of a proposal shall fall within the scope of functions and powers of the shareholders' meeting, contain clear issues for consideration and specific matters for resolution, and comply with the relevant provisions of the laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules applicable in the place where the Company's Shares are listed and these Articles.

**Article 60** When the Company convenes a shareholders' meeting, the board of directors, the Audit Committee and shareholders individually or jointly holding 1% or more of the Company's shares are entitled to submit proposals to the Company.

Shareholders individually or jointly holding 1% or more of the Company's shares may make a provisional proposal and submit in writing to the convener 10 days prior to the convening of the shareholders' meeting. The convener of the shareholders' meeting shall issue a supplemental notice of shareholders' meeting within two days upon receipt of such proposal, setting out the contents of the provisional proposal and submitting such provisional proposal to the shareholders' meeting for consideration; provided, however, that the provisional proposal shall be in compliance with the provisions of the laws, administrative regulations and these Articles and shall fall within the scope of functions and powers of the shareholders' meeting.

Subject to the above provisions, the convener after sending a notice of shareholders' meeting shall not modify the proposal listed in the notice of shareholders' meeting or add a new proposal.

For the issuance of the supplemental notice of the shareholders' meeting, if there are special provisions under the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail, provided that the Company Law, the Securities Law, the Trial Administrative Measures and other applicable domestic laws and regulations are not violated. If the shareholders' meeting shall be postponed due to the issuance of a supplemental notice of the shareholders' meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed pursuant to the provisions of the securities regulatory rules of the place where the Company's shares are listed.

The shareholders' meeting shall not vote or resolve on a proposal not listed in the notice of shareholders' meeting or not in compliance with Article 59 hereof.

**Article 61** The convener shall notify all shareholders 21 days prior to the convening of an annual general meeting and 15 days prior to the convening of an extraordinary general meeting by announcement. The aforementioned notice period excludes the date on which the meeting is held.

If there are other provisions under laws, administrative regulations, departmental rules, Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

**Article 62** Notice of a shareholders' meeting shall contain the following:

- (1) the time, place and duration of the meeting;
- (2) stating matters and proposals to be submitted for consideration at the meeting;
- (3) the record date of shareholders' equity rights that they are entitled to attend the shareholders' meeting;
- (4) including a prominent statement that all shareholders are entitled to attend the shareholders' meeting and may appoint one or more proxies in writing to attend and vote at the meeting on their behalf, and that such proxy does not need to be a shareholder of the Company;
- (5) the name and telephone number of the permanent contact person for the meeting;
- (6) voting time and voting procedure by internet or other means, if any.
- (7) other contents provided by laws, regulations, normative legal documents, Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Each notice or supplemental notice of shareholders' meeting shall sufficiently and completely disclose the specific contents of all proposals.

The interval between the date of record and the date of meeting shall be not more than 7 trading days. The date of record shall not change once determined.

After the notice of a shareholders' meeting has been issued, the meeting shall not be adjourned or cancelled without justifiable reason, and no proposal set forth in the notice of meeting shall be cancelled. If the meeting needs to be adjourned or cancelled, the Company shall publish an announcement at least two working days prior to the originally scheduled date of meeting, and explain the reason. If there are special provisions on the procedures for postponing or canceling the shareholders' meeting under the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail, provided that domestic regulatory requirements are not violated.

**Article 63** For the proposal on election of a director at the shareholders' meeting, the notice of shareholders' meeting shall fully disclose the detailed information of the director candidate, including but not limited to:

- (1) personal information such as educational background, work experience, part-time jobs;
- (2) whether there is any connection with the Company or its controlling shareholder and de facto controller;
- (3) the number of shares held in the Company;
- (4) whether such candidate has been subject to any penalty imposed by the CSRC or other relevant authorities or any punishment imposed by any stock exchange.

Except for the adoption of the cumulative voting system for the election of directors, each candidate for director shall be submitted in a single proposal.

## **Section 6 Convening of Shareholders' Meeting**

**Article 64** The board of directors of the Company and other convenors shall take necessary measures to ensure the orderly operation of the shareholders' meeting. Measures will be taken to stop any interference with the shareholders' meeting, provocation and infringement of legitimate rights and interests of shareholders, and the same will be promptly reported to relevant authorities for investigation and handling.

**Article 65** All shareholders of the Company registered on the record date or their proxies shall have the right to attend a shareholders' meeting and exercise their voting rights in accordance with relevant laws, regulations and these Articles.

Shareholders may attend the shareholders' meeting in person or appoint one or more proxies (whether or not a shareholder) to attend and vote on their behalf.

**Article 66** If an individual shareholder attends the meeting in person, he/she shall present his/her identity card or other valid proof or evidence of his/her identity, and evidence of his or her shareholding (such as a share account card). If the shareholder appoints a proxy to attend the meeting on his/her behalf, such proxy shall provide his/her own valid identity card and the power of attorney from the shareholder.

If a legal person shareholder attends the meeting, it shall be represented by its legal representative or a proxy authorized by its legal representative. If the legal representative attends the meeting, he/she shall present his/her identity card and valid proof of his/her status as legal representative. If a proxy is appointed to attend the meeting, the proxy shall present his/her own identity card and a written power of attorney issued in accordance with the law by the legal representative of the legal person shareholder (except for the shareholder being a recognized clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the Company's shares are listed).

If the shareholder is a Recognized Clearing House (or their proxies), the shareholder may authorize one or more persons as it deems appropriate to act as its representative at any shareholders' meeting or creditors' meeting; however, if more than one person is authorized, the power of attorney shall specify the number and class of shares in respect of which each such person is so authorized. The power of attorney shall be signed by the person authorized by the Recognized Clearing House. A person so authorized may exercise rights on behalf of the Recognized Clearing House (or their proxies) (without presenting a shareholding certificate, notarized authorization and/or further evidence confirming its duly authorization), and shall have the same statutory rights as other shareholders, including the right to speak and to vote, as if such person were an individual shareholder of the Company.

**Article 67** The proxy statement for appointing a proxy to attend the shareholders' meeting issued by a shareholder shall include the following information:

- (1) name of the appointing shareholder, as well as the class and number of shares of the Company held by him/her;
- (2) name of the proxy;
- (3) specific instructions from shareholders, including instructions as to whether to vote "for" or "against" or "abstained" from voting on, each item on the agenda of the shareholders' meeting as an item for consideration thereat;
- (4) date of issuance of the proxy form and its validity period;
- (5) signature (or seal) of the appointing shareholder. If the appointing shareholder is a legal entity, the seal of the legal entity shall be affixed.

**Article 68** The proxy statement shall state whether the proxy may vote as he/she thinks fit in the absence of concrete instructions from the shareholder.

**Article 69** The power of attorney for voting by proxy shall be placed at the domicile of the Company or other place specified in the meeting notice 24 hours before the holding of the meeting for which the power of attorney is issued or 24 hours before the designated voting time. If the power of attorney for voting by proxy is signed by the authorized person of the appointing shareholder, the letter of authority for signing or other authorization documents shall be notarized. The notarized letter of authority or other authorization documents and the power of attorney for voting by proxy shall be placed at the domicile of the Company or other place specified in the meeting.

Where the appointing shareholder is a legal entity, its legal representative or the person authorized by a resolution of board of directors or other decision-making body shall attend the Company's shareholders' meetings as the representative of such appointing shareholder.

**Article 70** A register for attendees at the meeting shall be compiled by the Company, which shall contain, among others, the name of the attendee (or the name of the organization), identity card number, residential addresses, the number of shares with voting rights held or represented by the attendee and name of the person (or the name of the organization) who attends the meeting by proxy.

**Article 71** The convener and the attorney engaged by the Company (if any) shall jointly verify the legitimacy of the shareholders' qualifications according to the Company's shareholder register provided by the securities registration and settlement institutions and register the names of the shareholders and the number of shares they hold with voting rights. The registration of the meeting shall be terminated until the presider of the meeting announces the number of shareholders and proxies attending the meeting on site and the total number of shares with voting rights held by them.

**Article 72** When the shareholders' meeting is held, all directors and the secretary to the board of directors of the Company shall attend the meeting, and the manager and other senior management shall attend the meeting. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforesaid persons may attend or participate in the meeting through the Internet, video, telephone or other means having equivalent effect.

**Article 73** The shareholders' meeting shall be presided over by the chairman of the board of directors. In the event that the chairman of the board of directors is incapable of performing or does not perform his/her duties, a director jointly elected by more than half of the directors shall preside over the meeting.

The shareholders' meeting convened by the Audit Committee itself shall be presided over by the chairman of the Audit Committee. In the event that the chairman of the Audit Committee is incapable of performing or does not perform his/her duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside over the meeting.

A shareholders' meeting convened by the shareholders themselves shall be presided over by the convener or a representative elected by the convener. When a shareholders' meeting is held and the presider of the meeting violates the rules of procedures such that the shareholders' meeting cannot proceed, with the consent of more than half of the shareholders with voting rights present at the shareholders' meeting, the shareholders' meeting may elect a person to be the presider of the meeting and the meeting shall be continued.

**Article 74** The Company shall formulate rules of procedure for the shareholders' meeting, and specify the convening, holding and voting procedures of the shareholders' meeting, including notice, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and its signing and announcement thereof, as well as the principle of authorization of the shareholders' meeting to the board of directors. The content of authorization shall be clear and specific.

The rules of procedure for the shareholders' meeting shall be annexed to the Articles of Association and shall be prepared by the board of directors and approved by the shareholders' meeting.

**Article 75** At the annual general meeting, the board of directors shall report their work in the past year to the shareholders' meeting. Each independent director shall also make a work report.

**Article 76** Directors and senior management members shall provide explanations and statements on the inquiries and suggestions put forward by shareholders at the shareholders' meeting.

**Article 77** The presider of the meeting shall, prior to voting, announce the number of shareholders and proxies attending the meeting and the total number of voting shares held by them. The number of shareholders and proxies attending the meeting and the total number of voting shares held by them shall be subject to the registration of the meeting.

**Article 78** Minutes of the shareholders' meeting shall be kept and the secretary to the board of directors shall be responsible therefor. The meeting minutes shall contain the following contents:

- (1) time, venue, agenda of the meeting and name of the convener;
- (2) names of the presider of the meeting and the directors and senior management members attending the meeting or attending the meeting as nonvoting delegates;
- (3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and the proportion to the total number of shares of the Company, and the total number of voting shares held by holders of ordinary shares and holders of shares of each class and the proportion to the total number of shares of the Company;
- (4) the consideration process, key points of speech and voting results of each proposal;
- (5) shareholders' inquiries or suggestions and corresponding replies or explanations;
- (6) names of attorneys (if any) and vote counters, scrutineers;
- (7) other contents as required to be included in the minutes of the meeting pursuant to these Articles, laws, regulations, normative legal documents, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

**Article 79** The convener shall guarantee the authenticity, accuracy and integrity of the content of the meeting minutes. The directors, the secretary to the board of directors, convener or their representatives who attend the meeting, and the presider of the meeting shall sign the meeting minutes. The meeting minutes shall be kept together with the signature book of the attending shareholders, the power of attorney of the proxies, and the valid information on voting via internet or by other means for a period of not less than 10 years.

**Article 80** The convener shall ensure that the shareholders' meeting is held consecutively until a final resolution is formed. If the shareholders' meeting is suspended or unable to make a resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' meeting as soon as possible or directly terminate the current shareholders' meeting, and an announcement shall be made in a timely manner. At the same time, the convener shall report to the dispatched office of the CSRC in the place where the Company is located and the stock exchange.

## **Section 7 Voting and Resolutions of the Shareholders' Meeting**

**Article 81** Resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

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

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

**Article 82** The following matters shall be passed by the shareholders' meeting by ordinary resolution:

- (1) the work report of the board of directors;
- (2) the profit distribution plan and the plan for making up losses formulated by the board of directors;
- (3) the appointment and removal of members of the board of directors and their remuneration and payment methods;
- (4) the annual report of the Company;
- (5) other matters other than those required by laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or these Articles to be passed by special resolution.

**Article 83** The following matters shall be passed by the shareholders' meeting by special resolution:

- (1) increase or reduction of the registered capital of the Company;
- (2) the division, spin-off, merger, dissolution and liquidation of the Company;
- (3) amendment of these Articles;

- (4) the purchase or sale of major assets or the provision of guarantees to others by the Company within one year where the amount exceeds 30% of the total audited assets of the Company for the most recent period;
- (5) equity incentive schemes;
- (6) other matters stipulated by laws, administrative regulations, departmental rules, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or these Articles, and other matters that the shareholders' meeting determines by ordinary resolution will have a material impact on the Company and need to be passed by special resolution.

**Article 84** Shareholders (including shareholders' proxies) shall exercise their voting rights in accordance with the number of voting shares they represent, and each share shall carry one vote. When voting, a shareholder (including a shareholders' proxy) holding two or more votes need not cast all such votes in favour of, against or abstaining from a resolution.

Where the shareholders' meeting considers major matters affecting the interests of minority shareholders, the votes cast by minority shareholders shall be counted separately and disclosed.

Shares of the Company held by the Company itself shall have no voting rights, and such shares shall not be counted in the total number of voting shares present at the shareholders' meeting. A controlled subsidiary of the Company shall not acquire shares of the Company. Where a controlled subsidiary holds shares of the Company due to a merger of the Company, enforcement of a pledge or other reasons, it shall not exercise the voting rights corresponding to such shares and shall dispose of the relevant shares of the Company in a timely manner.

The board of directors, independent directors, shareholders holding more than one percent of the voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may publicly solicit voting rights from shareholders. A person soliciting voting rights from shareholders shall fully disclose to the persons solicited information such as specific voting intentions, and shall not do so for consideration or in a disguised form of consideration. Apart from statutory conditions, the Company shall not impose a minimum shareholding ratio requirement on the solicitation of voting rights.

In accordance with applicable laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, if any shareholder is required not to exercise voting rights in respect of some of its shares or to abstain from voting on a certain resolution matter, or is restricted to voting only in favour of (or against) a certain resolution matter, the votes cast by such shareholder or its proxy in violation of the relevant provisions or restrictions shall not be counted in the total number of voting shares.

**Article 85** When considering related transactions during the shareholders' meeting, the connected shareholders must not participate in the voting, and the number of shares with voting rights represented by them shall not be included in the total number of valid votes of the shares with voting rights present at the shareholders' meeting, save as otherwise provided by laws and regulations, administrative regulations, departmental rules, normative documents and the securities regulatory rules of the place where shares of the Company are listed, or where all shareholders are related parties.

The connected shareholders shall recuse themselves from voting. If the connected shareholders do not recuse themselves from voting, other shareholders attending the meeting or the presider of the meeting shall have the right to request the connected shareholders to recuse themselves from voting. After the recusal of the connected shareholders, the other shareholders shall vote according to their voting rights and adopt the corresponding resolution in accordance with the provisions of these Articles. The recusal and voting procedures of the connected shareholders shall be recorded in the meeting minutes.

A resolution on a connected transaction at a shareholders' meeting shall be valid only if it is passed by more than half of the voting rights held by the non-connected shareholders present at the shareholders' meeting. However, if the connected transaction involves matters stipulated in these Articles requiring special resolution, the resolution of the shareholders' meeting shall be valid only if it is passed by at least two-thirds of the voting rights held by the non-connected shareholders present at the shareholders' meeting.

**Article 86** Unless the Company is in a crisis or under any other special circumstances, without the approval of a shareholders' meeting by a special resolution, the Company shall not enter into a contract with any person other than a director, the general manager or any other officer under which the person takes charge of all or any major business of the Company.

**Article 87** The list of director candidates shall be submitted to a shareholders' meeting for voting in the form of a proposal.

The board of directors, or shareholders individually or collectively holding 1% or more of the shares of the Company shall have the right to submit a proposal on appointment of candidates for directors at shareholders' meetings.

Before nominating a candidate for director, the nominator shall obtain a written confirmation from the candidate confirming his/her acceptance of the nomination, undertaking that the publicly disclosed information on the candidate for director is true and complete, and warranting that he/she will effectively perform his/her duties as a director upon election.

When voting at the shareholders' meeting for the election of directors, cumulative voting may be implemented according to the provisions of these Articles or the resolutions of the shareholders' meeting. Where a single shareholder or persons acting in concert of the Company own 30% or more of the shares, the shareholders' meeting shall implement the cumulative voting system in the election of directors.

The cumulative voting system as mentioned in the preceding paragraph means that when directors are elected by the shareholders' meeting, each share shall have the same voting rights as the number of directors to be elected, and the voting rights held by shareholders may be used in a centralized manner. The board of directors shall announce the resumes and basic information of the candidates for directors to the shareholders.

The specific implementation measures of the cumulative voting system are as follows:

- (1) Where the cumulative voting system is implemented, before voting at the shareholders' meeting on the candidates of directors, the presider of the meeting shall clearly inform attending shareholders about how the cumulative voting in the election of the candidates of directors is implemented, make explanations and interpretations of the details, voting rules and methods of completing the ballots of the cumulative voting system, and inform the voting right of each share in the election of director(s). The staff of the shareholders' meeting shall prepare ballots applicable for the implementation of the cumulative voting.
- (2) The number of voting rights possessed by the shareholders attending the meeting is equal to the product of the total number of shares held by them multiplied by the number of director(s) to be elected at the shareholders' meeting, and such portion of the voting rights may only be voted for the director(s) to be elected at the shareholders' meeting. Voting shareholders must state the number of shares of the Company held by them on a ballot and mark the number of voting rights used by them after each director is elected by them.
- (3) Whether a director candidate will be elected as a director shall be recognized by the number of their received votes, however, the number of the votes received by each elected director must exceed half (1/2) of the total number of shares held by the shareholders present at the shareholders' meeting.
- (4) Upon the completion of the voting by the attending shareholders, vote counters at the shareholders' meeting shall count and publish the total votes received by each director candidate, and the election results of the directors will be determined in the manner described above. The presider of the meeting shall announce the list of the elected directors on the spot and make a timely announcement.

**Article 88** Except for cumulative voting, the shareholders' meeting shall vote on all the proposed resolutions separately; in the event of several proposed resolutions for the same issue, such proposed resolutions shall be voted on in the order of time at which they are submitted. Unless the shareholders' meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposed resolutions shall neither be shelved nor refused at the shareholders' meeting.

**Article 89** When considering a proposed resolution at a shareholders' meeting, no amendments shall be made thereto. Otherwise, any change made thereto shall be considered as a new proposed resolution, for which the voting shall not proceed in that meeting.

**Article 90** The same vote may only be cast once at the location of a shareholders' meeting, or by online voting or other means. In the event of multiple casting of the same vote, only the outcome of the first casting of such vote shall be counted.

**Article 91** At any shareholders' meeting, voting shall be conducted by open ballot.

**Article 92** Before the shareholders' meeting votes on proposals, it shall elect two representatives to count the votes and scrutinize the voting. If any shareholder is interested in the matter to be discussed, the relevant shareholder and his proxy shall not participate in vote counting or scrutinize the voting.

When a shareholders' meeting vote on proposals, the counting of votes and scrutinizing of voting shall be conducted together by lawyers (if any) and shareholder representatives. The voting results shall be announced during the meeting. The voting results shall be contained in the meeting minutes.

A shareholder of the Company or its proxy, who uses the internet or other voting methods, shall be entitled to verify his voting results through relevant voting system.

**Article 93** The on-site voting shall not end earlier than the network voting or any other method of voting at the shareholders' meeting. The chairman of the meeting shall announce details of voting in connection with each proposal and the voting result. The chairman of the meeting shall announce whether or not a resolution has been passed based on voting result.

Prior to the formal announcement of voting results, the relevant parties including the companies, the persons responsible for counting votes and scrutinizing the conduct of the relevant poll, the major shareholders, and the person in charge of the relevant internet service provider involved in relation to voting at the shareholders' meeting, online voting or other means of voting, shall be obliged to keep the status of voting confidential.

**Article 94** A shareholder attending a shareholders' meeting shall express one of the following opinions on any proposed resolutions to be voted on: for, against or abstain., unless securities registration and settlement institutions, as the nominal holders of shares that can be traded through the Mainland-Hong Kong Stock Connect, make declarations according to the intention of actual holders.

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

**Article 95** If the presider of the meeting has any doubt as to the result of a resolution put to the vote of the meeting, he may have the votes counted. If the presider of the meeting fails to have the votes counted, any attending shareholder or proxy who objects to the result announced by the presider of the meeting may demand that the votes be counted immediately after the declaration of the result, and the presider of the meeting shall have the votes counted immediately.

**Article 96** The resolutions of the shareholders' meeting shall be announced promptly. Such announcement shall specify the number of shareholders and proxies present at the meeting, the total number of voting shares held by them, the percentage of such voting shares in relation to all the voting shares of the Company, the voting methods, the voting result of each proposal and the details of each resolution approved.

The company, which offers domestic-listed foreign shares and class shares, shall make statistics on the attendance and voting of domestic and overseas shareholders, ordinary shareholders, and class shareholders and make a public announcement respectively.

**Article 97** If any proposal is not adopted, or the current shareholders' meeting amends the resolution of the last shareholders' meeting, special reminder thereof shall be given in the announcement of the resolutions of the shareholders' meeting.

**Article 98** Where a proposal on election of directors is passed at the shareholders' meeting, the directors elected shall take office on the date determined for taking office by the relevant election resolution. Where the relevant election proposal does not specify the date of taking office by the new directors, the newly elected directors shall take office on the date when the relevant election proposal is passed at the shareholders' meeting.

**Article 99** Where the shareholders' meeting approves a proposal in respect of the payment of cash dividends, the distribution of bonus shares or the conversion of capital reserve into share capital, 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 owing to the provisions of the laws and regulations and the securities regulatory rules of the place(s) where the Company's shares are listed, the date of implementation of the specific plan may be adjusted accordingly in accordance with such provisions and the actual circumstances.

## **Section 8 Special Procedures for Voting by Class Shareholders**

**Article 100** Shareholders holding different classes of shares are class shareholders.

Class shareholders shall enjoy rights and assume obligations in accordance with laws, administrative regulations, normative documents, the Listing Rules and other securities regulatory rules of the place(s) where the Company's shares are listed and these Articles.

**Article 101** Where the Company intends to vary or abrogate the rights of class shareholders, it shall be effected only after it is approved by the shareholders' meeting by special resolution and by the affected class shareholders at a shareholders' meeting convened separately in accordance with these Articles.

Where the variation or abrogation of the rights of class shareholders results from changes in laws and administrative regulations within and outside the PRC, the Listing Rules and other securities regulatory rules of the place(s) where the Company's shares are listed, and decisions lawfully made by the securities regulatory authorities within and outside the PRC, approval by the shareholders' meeting or class shareholders' meeting shall not be required.

Where domestic share shareholders of the Company transfer all or part of their non-listed shares to overseas investors and have such shares listed and traded overseas, or convert all or part of their domestic shares into overseas listed shares and have such shares listed and traded on an overseas stock exchange, such acts shall not be deemed to be variation or abrogation by the Company of the rights of class shareholders.

**Article 102** The following circumstances shall be deemed to be variation or abrogation of the rights of a class of shareholders:

- (1) an increase or decrease in the number of shares of that class, or an increase or decrease in the number of shares of a class enjoying the same or more voting rights, distribution rights or other privileges as that class;
- (2) the exchange of all or part of the shares of that class for shares of another class, or the exchange of all or part of the shares of another class for shares of that class, or the grant of such conversion rights;
- (3) the cancellation or reduction of the rights of that class to receive dividends already declared or accumulated dividends;
- (4) the reduction or cancellation of the rights of that class to preferentially receive dividends or to preferentially receive distribution of property upon liquidation of the Company;
- (5) the addition, cancellation or reduction of the rights of that class to convert shares, options, voting rights, transfer rights, pre-emptive rights, or rights to acquire securities of the Company;
- (6) the cancellation or reduction of the rights of that class to receive payments from the Company in a specified currency;
- (7) the creation of a new class enjoying the same or more voting rights, distribution rights or other privileges as that class;
- (8) the imposition or increase of restrictions on the transfer or ownership of shares of that class;
- (9) the issue of rights to subscribe for shares of that class or another class or rights to convert shares;
- (10) the increase of the rights and privileges of another class of shares;

- (11) a reorganisation plan of the Company that would result in shareholders of different classes assuming liabilities in the reorganisation otherwise than pro rata;
- (12) the amendment or abrogation of the provisions set out in this Chapter.

**Article 103** Affected class shareholders, irrespective of whether they originally had voting rights at the shareholders' meeting, shall have voting rights at a class shareholders' meeting in respect of matters involving items (2) to (8) and items (11) to (12) of Article 102 of these Articles, but shareholders having an interest in the matter shall not have voting rights at the class shareholders' meeting.

The meaning of shareholders having an interest in the matter referred to in the preceding paragraph is as follows:

- (1) where the Company, in accordance with these Articles, makes a repurchase offer to all shareholders on a pro rata basis or repurchases its own shares through public trading on the Hong Kong Stock Exchange, "shareholders having an interest" means the controlling shareholders as defined in these Articles;
- (2) where the Company, in accordance with these Articles, repurchases its own shares by agreement outside the Hong Kong Stock Exchange, "shareholders having an interest" means the shareholders who are parties to such agreement;
- (3) in a reorganisation plan of the Company, "shareholders having an interest" means shareholders who assume liabilities at a proportion lower than that of other shareholders of the same class, or shareholders who have different interests from other shareholders of the same class.

**Article 104** Resolutions proposed at a class meeting shall be passed by shareholders present at the meeting representing two-thirds or more of the share interests with voting rights according to Article 103.

**Article 105** A written notice of a class meeting convened by the Company shall be issued to all shareholders of such class whose names appear on the register of shareholders within the period stipulated in these Articles for issuing such written notice of annual and extraordinary general meetings specified herein, specifying the matters to be considered and the date and venue of the meeting by way of announcement.

Where the number of shares carrying the rights to vote at the meeting held by the shareholders intending to attend the meeting reaches half or more of the total number of shares of such class carrying the rights to vote at the meeting, the Company may convene the class meeting based thereon, failing which the Company shall within five days notify the shareholders again, by way of a public announcement, of the matters to be considered at, and the place and date for, the meeting before it proceeds to convene the class meeting.

**Article 106** Notice of a class meeting shall be given only to shareholders entitled to vote at the meeting. A class meeting shall be conducted as similarly in terms of procedure to a shareholders' meeting as possible. The provisions concerning the procedures of a shareholders' meeting set out in these Articles shall also apply to class meetings.

**Article 107** Apart from the holders of other classes of shares, the holders of domestic shares and overseas listed foreign shares shall be taken to be shareholders of different classes.

## **CHAPTER 5 BOARD OF DIRECTORS**

### **Section 1 Directors**

**Article 108** Directors may comprise executive directors, non-executive directors and independent directors. Non-executive directors refer to directors who do not hold management positions in the Company. Independent directors refer to directors who do not hold any positions in the Company other than that of a director, and who have no direct or indirect interest in the Company, its principal shareholders or de facto controllers, or any other relationship that may affect their independent and objective judgment.

**Article 109** Directors of the Company shall be natural persons. Directors shall possess the qualifications required by laws, administrative regulations and rules. Any person who falls under any of the following circumstances shall not be eligible to serve as a director of the Company:

- (1) a person who does not have or who has limited capacity for civil acts;
- (2) a person who has been sentenced for corruption, bribery, infringement of property or misappropriation of property or disruption of the social or economic order, or who has been deprived of his political rights due to a criminal offense where less than five years have elapsed since the sentence was served, and in case of a suspended sentence, less than two years have elapsed since the expiration of the probation period;
- (3) a person who is a former director, factory manager or a manager of a company or an enterprise which has been put into bankruptcy liquidation and who was personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy liquidation of the company or enterprise;
- (4) a person who is a former legal representative of a company or an enterprise the business license of which was revoked and which was ordered to close down due to violation of the law, and who is personally liable for such revocation, where less than three years have elapsed since the date of the revocation of the business license or order of closing down;
- (5) a person who has a relatively large amount of debts which have become overdue and is designated by the people's court as dishonest person subject to enforcement;
- (6) a person who has been prohibited from entering the securities market or has been identified as an inappropriate candidate by the CSRC and the prohibition period has not expired;

- (7) the person who has been publicly determined by the stock exchanges or the NEEQ Company to be not suitable to serve as a director, supervisor or senior management of a listed company, and subject to disciplinary punishment and the period has not elapsed;
- (8) other contents stipulated by laws, administrative regulations, departmental rules, the CSRC, the NEEQ Company and the stock exchange or the securities regulatory rules of the place(s) where the shares of the Company are listed.

If this Article is violated in electing or appointing directors, such election, appointment or employment shall be invalid. Where circumstances under this Article arise during the term of office of directors, the Company will remove them from office and cease their duties in accordance with relevant regulations.

**Article 110** Directors shall be elected or replaced by the shareholders' meeting and shall serve a term of three years. Upon the expiration of their term of office, directors may be re-elected for consecutive terms. Before the expiration of a director's term of office, the shareholders' meeting cannot remove them from office without cause, unless otherwise provided by the relevant laws, regulations, these Articles and securities regulatory rules of the place where the Company's shares are listed.

The term of office of directors shall commence from the date of assuming office up to the expiry of the current term of office of the board of directors. If the term of office of a director expires and re-election is not conducted in a timely manner, the original directors shall continue to perform their duties in accordance with the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles until the newly elected directors assume office.

Directors may concurrently serve as general manager or other members of senior management, provided that the aggregate number of the directors who concurrently serve as general manager or other members of senior management and the directors who are representatives of employees (if any) shall not exceed one half of all the directors of the Company.

**Article 111** Directors shall comply with the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

Directors owe fiduciary duties to the Company, and shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not use their powers to seek improper benefits.

Directors owe duties of diligence to the Company, and perform duties with the reasonable care ordinarily exercised by managers in the best interests of the Company.

**Article 112** Directors shall not engage in any of the following acts:

- (1) to embezzle the Company's property or misappropriate the Company's funds;

- (2) to deposit Company funds in personal accounts in their own names or other individuals' names;
- (3) to use their powers to bribe or accept other illegal gains;
- (4) to receive commissions from transactions between other parties and the Company as their own;
- (5) to disclose secrets of the Company without permission;
- (6) to perform other acts in breach of fiduciary duties as required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and these Articles.

**Article 113** Where a director enters into a contract or transaction with the Company directly or indirectly, he/she shall report to the board of directors or the shareholders' meeting in respect of matters relating to the entering into of such contract or transaction, and such contract or transaction shall be approved by a resolution of the board of directors or the shareholders' meeting in accordance with the provisions of the laws, regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles.

The provisions of the preceding paragraph shall apply where a close relative of a director, an enterprise directly or indirectly controlled by a director or his/her close relative, or an associate having other related relationships with a director enters into a contract or transaction with the Company.

**Article 114** Directors shall not exploit their position to seek business opportunities that belong to the Company for himself/herself or others, except in any of the following circumstances:

- (1) have been reported to the board of directors or the shareholders' meeting and approved by a resolution of the board of directors or the shareholders' meeting in accordance with these Articles;
- (2) the Company cannot make use of such business opportunities in accordance with the provisions of laws, administrative regulations or these Articles.

**Article 115** Subject to the provisions of the laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, without reporting to the board of directors or the shareholders' meeting and being approved by a resolution of the board of directors or the shareholders' meeting in accordance with these Articles, directors shall not carry on business similar to that of the Company in which they hold office by themselves or for other persons.

**Article 116** The income obtained by a director in violation of the provisions of Articles 112 to 115 of these Articles shall belong to the Company.

**Article 117** If a director fails to attend two consecutive meetings of the board of directors in person and does not appoint another director to attend such meetings of the board of directors on his behalf, he shall be deemed incapable of performing his duties, and the board of directors shall propose to the shareholders' meeting that he be removed. Subject to compliance with the securities regulatory rules of the place(s) where the shares of the Company are listed, where a director attends a meeting of the board of directors by means of network, video, telephone or other means of equivalent effect, he shall also be deemed to have attended the meeting in person.

**Article 118** A director may resign before the expiration of his term of office. A director who resigns shall submit a written resignation report to the board of directors, and shall not evade his duties by way of resignation or otherwise.

Where the resignation of a director causes the number of members of the board of directors to fall below the statutory minimum, the original director shall, before the newly elected director assumes office, continue to perform his duties as a director in accordance with the laws, administrative regulations, departmental rules and these Articles. The board of directors shall convene an extraordinary general meeting as soon as possible to elect a director to fill the vacancy arising from the resignation of the director, and the term of office of the director so elected to fill the vacancy shall be limited to the remaining period of the term of office of his predecessor. On the premise of not violating the laws, regulations and the securities regulatory rules of the place(s) where the shares of the Company are listed, if the board of directors appoints a new director to fill a casual vacancy in the board of directors or as an addition to the board of directors, such person shall hold office only until the first annual general meeting after his appointment, and shall then be eligible for re-election. Where the securities regulatory rules of the place(s) where the shares of the Company are listed provide otherwise, such provisions shall prevail, provided that the applicable PRC laws and regulations, including the Company Law, the Securities Law, the Trial Administrative Measures and the Guidelines for the Articles of Association of Listed Companies, are not violated.

Save for the circumstances set out in the preceding paragraph, the resignation of a director shall take effect from the time when the written resignation report is delivered to the board of directors.

**Article 119** Where the resignation of a director takes effect or his term of office expires, he shall complete all handover procedures with the board of directors, and the fiduciary duties he owes to the Company and the shareholders shall remain effective for twelve (12) months following the expiration of his term of office.

**Article 120** In the absence of any provision of these Articles or lawful authorization of the board of directors, no director shall act in his personal capacity on behalf of the Company or the board of directors. Where a director acts in his personal capacity and a third party would reasonably believe that the director is acting on behalf of the Company or the board of directors, the director shall state his position and capacity in advance.

**Article 121** Where a director, in performing his duties, violates the laws, administrative regulations, departmental rules or these Articles and causes loss to the Company, he shall be liable for compensation.

**Article 122** The Company shall establish an independent director system. Independent directors shall act in accordance with the relevant provisions of the laws, administrative regulations, the CSRC, the NEEQ Company, the securities regulatory rules of the place(s) where the shares of the Company are listed and other relevant provisions. Matters relating to the qualifications, nomination, election and replacement, and special functions and powers of independent directors shall be specified by the Company through separate rules to be formulated by it.

## **Section 2 Board of Directors**

**Article 123** The Company shall have a board of directors, which is responsible to the shareholders' meeting.

**Article 124** The board of directors shall consist of nine directors, including three independent directors. Members of the board of directors shall be elected by the shareholders' meeting in accordance with the law.

**Article 125** The board of directors shall exercise the following functions and powers:

- (1) to convene the shareholders' meeting and report on its work to the shareholders' meeting;
- (2) to implement the resolutions adopted at shareholders' meetings;
- (3) to decide on the Company's business plans and investment plans;
- (4) to formulate the Company's profit distribution plan and loss makeup plan;
- (5) to formulate proposals for increases or reductions of the Company's registered capital, the issuance of bonds or other securities, and listing;
- (6) to formulate plans for major acquisitions of the Company, the buy-back of shares of the Company, or merger, division, dissolution and change of the form of the Company, subject to compliance with the securities regulatory rules of the place where the Company's shares are listed;
- (7) to determine such matters as the Company's external investment, purchase or sale of assets, asset pledge, external guarantee, entrusting wealth management, related party transactions and outbound donations within the scope authorized by the shareholders' meeting;
- (8) to decide on the establishment of the Company's internal management structure and special board committees;

- (9) to decide on the appointment or dismissal of the Company's general manager, secretary to the board of directors and other senior officers and decide on their remuneration, reward and punishment; according to the nomination by the general manager, to decide on the appointment or dismissal of the deputy general manager(s), the finance director (CFO) and other senior officers and decide on their remuneration, reward and punishment;
- (10) to formulate and revise the Company's basic management system;
- (11) to formulate proposals for amendment to the Articles of Association;
- (12) to propose to the shareholders' meeting to hire or replace the accounting firm conducting the audit of the Company;
- (13) to listen to the work report of the general manager of the Company and inspect the work of the general manager;
- (14) to manage the Company's information disclosure matters;
- (15) to discuss and evaluate whether the corporate governance mechanism provides all shareholders with appropriate protection and equal rights, and whether the corporate governance structure is reasonable and effective;
- (16) to perform other functions and powers conferred by laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules of the places where the shares of the Company are listed or these Articles.

Any matters beyond the scope authorized by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

**Article 126** The board of directors of the Company shall establish the Audit Committee, the Nomination Committee and the Remuneration Committee. These special committees shall be accountable to the board of directors and perform their duties in accordance with these Articles and the authorization of the board of directors. Proposals shall be submitted to the board of directors for consideration and decision. All members of the special committees shall be directors. For the Audit Committee, the Nomination Committee and the Remuneration Committee, independent directors shall constitute a majority of each such committee and shall serve as its convener; the convener of the Audit Committee shall be an accounting professional. The board of directors is responsible for formulating the working procedures of the special committees and standardizing the operation of the special committees.

**Article 127** The board of directors of the Company shall provide an explanation to the shareholders' meeting regarding any non-standard audit opinion issued by the certified public accountant on the Company's financial report.

**Article 128** The board of directors shall have the power to decide the following transactions:

- (1) all matters concerning the provision of financial assistance to external parties, other than those stipulated in Article 45 of these Articles;
- (2) all matters concerning external guarantees, other than those stipulated in Article 46 of these Articles;
- (3) except for the provision of guarantees, the board of directors' authority to decide related party transactions other than those stipulated in Article 47 of these Articles, including related party transactions between the Company and related natural persons with a transaction amount of RMB500,000 or more, and related party transactions between the Company and related legal persons with a transaction amount accounting for 0.5% or more of the Company's total audited assets for the most recent period and exceeding RMB3 million;
- (4) transactions that shall be submitted to the board of directors for consideration pursuant to the Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, and other relevant provisions.

**Article 129** Other than the transactions under Article 128 above, where the Company engages in any transaction (other than the provision of guarantees) that meets the following criteria, such transaction shall be submitted to the board of directors for consideration (and if it falls under circumstances requiring deliberation by the shareholders' meeting, it shall, after being approved by the board of directors, be submitted to the Company's shareholders' meeting for deliberation):

- (1) The total value of the assets involved in the transaction (based on the higher of the book value and the appraised value, where both exist) or the transaction amount constitutes 10% or more of the Company's total assets as audited in the most recent fiscal year;
- (2) The net asset value involved in the transaction or the transaction amount constitutes 10% or more of the absolute value of the Company's net assets as audited in the most recent fiscal year and exceeds RMB3 million;
- (3) Transactions that shall be submitted to the board of directors for consideration pursuant to the Listing Rules, other securities regulatory rules of the places where the Company's shares are listed, and other relevant provisions.

The board of directors shall establish strict review and decision-making procedures. Matters beyond the scope of the board of directors' decision-making authority must be approved by the shareholders' meeting. For major investment projects, relevant experts and professionals shall be organized to conduct an evaluation, and such projects shall be submitted to the shareholders' meeting for approval.

**Article 130** The board of directors shall have one chairman, who shall be elected by a majority of all the directors on the board of directors.

**Article 131** The chairman of the board of directors shall exercise the following functions and powers:

- (1) to preside over the shareholders' meetings and convene and preside over meetings of the board of directors;
- (2) to supervise and inspect the implementation of resolutions of the board of directors;
- (3) to exercise any other powers conferred by the board of directors, the laws, administrative regulations, departmental rules, the Listing Rules, and other securities regulatory rules of the places where the Company's shares are listed.

The board of directors may, through voting by a majority of all directors, authorize the chairman to exercise certain of the board of directors' powers and functions when the board of directors is not in session. The specific matters authorized shall be governed by the contents of the resolution of the board of directors and the letter of authorization; provided that major matters of the Company shall be collectively decided by the board of directors, and the board of directors shall not delegate its statutory powers and functions to any individual director or any other person for exercise.

**Article 132** If the chairman is unable to or fails to perform his duties, one director shall be jointly elected by more than half of the directors to perform such duties.

**Article 133** The board of directors shall convene at least four meetings each year, which shall be convened by the chairman, and written notice shall be given to all directors not less than fourteen days prior to the meeting.

**Article 134** Shareholders holding one-tenth or more of the voting rights, one-third or more of the directors, or the Audit Committee may propose to convene an extraordinary board meeting. The chairman shall, within ten days after receiving such proposal, convene and preside over the board meeting.

Written notice of an extraordinary board meeting shall be given to all directors not less than three days prior to the meeting. In case of emergency where an extraordinary board meeting is required to be convened as soon as possible, notice of the meeting may be given at any time by telephone or other oral means, provided that the convener shall provide an explanation at the meeting.

**Article 135** Notice of a board meeting shall include the following:

- (1) the date and place of the meeting;
- (2) the duration of the meeting;
- (3) the purpose and matters to be considered;
- (4) the date on which the notice is given.

**Article 136** A board meeting shall be held only if more than half of the directors are present. A resolution of the board of directors shall be passed only by more than half of all the directors.

Voting on resolutions of the board of directors shall be on a one-vote-per-director basis.

If a director has a connected relationship with the enterprise or individual to which the matter to be resolved at the board meeting relates, such director shall promptly report in writing to the board of directors. The connected director shall abstain from voting, and shall not exercise voting rights on such resolution, nor shall he/she exercise voting rights on behalf of other directors. The board meeting may be held if more than half of the non-connected directors are present, and a resolution of the board meeting shall be passed by more than half of the non-connected directors. If fewer than three non-connected directors are present at the board meeting, the Company shall submit the transaction to the shareholders' meeting for review.

If there are any additional restrictions on directors' participation in board meetings and voting under laws and regulations or the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

**Article 137** Resolutions of the board of directors shall be voted on by way of poll.

An extraordinary board meeting may, on the premise that directors are able to fully express their opinions, be held and resolutions may be passed by way of communication voting, and shall be signed by the directors attending the meeting. A board meeting may also be held by way of a combination of physical attendance and other means simultaneously.

**Article 138** The board of directors shall formulate rules of procedure for board meeting to ensure that the board of directors implements the resolutions of the shareholders' meeting, improves work efficiency and ensures scientific and sound decision-making. The rules of procedure for board meeting shall be formulated by the board meeting and approved by the shareholders' meeting.

**Article 139** Directors shall attend the board meeting in person. If unable to attend for any reason, a director may, in writing, entrust another director to attend the meeting on his/her behalf; provided that an independent director shall not entrust a non-independent director to attend the meeting on his/her behalf. Where any matter is put to vote, the appointing director shall specify in the proxy form his/her opinion of consent, opposition or abstention on each matter. A director shall not make or accept a proxy without any voting intention, a general proxy, or a proxy with an unclear scope of authorization. A director's responsibility in respect of matters voted on shall not be exempted by reason of entrusting another director to attend the meeting on his/her behalf.

A director shall not accept proxies from more than two directors to attend a single board meeting.

**Article 140** The board of directors shall cause minutes to be kept of the decisions on matters considered at its meetings. The minutes shall be true, accurate and complete. Directors attending the meeting shall sign the minutes.

The minutes of board meetings shall be kept as corporate archives for a period of not less than ten years.

**Article 141** The minutes of board meetings shall include the following:

- (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 (or proxies) attending the board meeting on behalf of others;
- (3) the agenda of the meeting;
- (4) a summary of the directors' remarks;
- (5) the voting method and results for each resolution (the voting results shall set out the number of votes in favor, against or abstaining);
- (6) other contents as required by laws, administrative regulations, departmental rules or regulatory documents, the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

## **CHAPTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT OFFICERS**

**Article 142** The Company shall have one general manager who shall be appointed or dismissed by the board of directors.

The Company may appoint several deputy general managers as needed for its operations, who shall be appointed or dismissed by the board of directors.

The general manager, deputy general managers, the finance director (CFO) and secretary of the board of directors are considered as senior management officers of the Company.

**Article 143** The circumstances set out in Article 109 of these Articles under which a person shall not serve as a director shall also apply to the senior management officers. The provisions set out in these Articles concerning the duty of loyalty and the duty of diligence of directors shall also apply to the senior management officers.

As a member of the senior management officers, the finance director (CFO) shall, in addition to complying with the foregoing provisions, hold a professional certificate of accountant or above, or possess an accounting professional background with over three years of experience in accounting.

**Article 144** Persons in executive positions other than directors and supervisors in entities acting as the Company's controlling shareholders shall not serve as the Company's senior management officers.

The Company's senior management officers are remunerated solely by the Company and shall not be paid by the controlling shareholders on behalf of the Company.

**Article 145** The tenure of office for the general manager shall be three years and is renewable upon reappointment.

**Article 146** The general manager shall be accountable to the board of directors and exercise the following functions and powers:

- (1) to be in charge of the production and operation management of the Company, organize the implementation of resolutions of the board of directors, and report his/her work to the board of directors;
- (2) to organize the implementation of the annual business plans and investment schemes of the Company;
- (3) to formulate the scheme on the setup of the internal management organization of the Company;
- (4) to formulate the fundamental management systems of the Company;
- (5) to formulate the specific rules of the Company;
- (6) to propose the appointment or dismissal of the deputy general managers and finance director (CFO) of the Company by the board of directors;
- (7) to appoint or dismiss the management personnel other than those who shall be appointed or dismissed by the board of directors;
- (8) to exercise other functions and powers conferred by these Articles and the board of directors.

The general manager shall be present at the meetings of the board of directors. The general manager who is not a director shall have no voting rights at board meetings.

**Article 147** The general manager shall formulate the working rules for the general manager, which shall take effect upon approval by the board of directors.

**Article 148** The working rules for the general manager shall cover the following matters:

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

**Article 149** The general manager and other senior management officers may resign prior to the expiry of their tenure. The specific procedures and arrangements for the resignation of senior management officers shall be set out in the employment contracts between the senior management officers and the Company.

**Article 150** The deputy general managers and the finance director (CFO) shall be nominated by the general manager and appointed by the board of directors. The deputy general managers and the CFO shall assist the general manager and exercise powers in accordance with the division of responsibilities and matters authorized by the general manager as set out in the working rules for the general manager.

**Article 151** The Company shall have a secretary to the board of directors, who shall be responsible for the information disclosure, preparation for shareholders' meeting and meeting of the board of directors, management of relationship with investors, management of shareholder materials and other matters.

Where the secretary to the board of directors is removed or resigns, he/she shall complete handover procedures. Where the secretary to the board of directors submits a resignation report but fails to complete handover procedures, he/she shall continue to perform the duties of secretary to the board of directors.

During any vacancy in the office of secretary to the board of directors, the board of directors of the Company shall appoint a director or senior management officer to act as the person in charge of information disclosure matters and identify a candidate within three months. Prior to the appointment of such acting person, the chairman of the board of directors shall take the charge.

**Article 152** Where a senior management officer, in performing his/her duties, violates the laws, administrative regulations, departmental rules or these Articles and causes losses to the Company, he/she shall be liable for compensation.

**Article 153** The senior management officers of the Company shall perform duties loyally and maintain the best interests of the Company and all shareholders. Where a senior management officer of the Company fails to perform his/her duties loyally or breaches his/her duty of good faith, thereby causing damage to the interests of the Company and public shareholders, he/she shall be liable for compensation in accordance with law.

## **CHAPTER 7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION, AND AUDITING**

### **Section 1 Financial and Accounting System**

**Article 154** The Company shall establish its financial and accounting systems in accordance with law, administrative regulation and provisions of the national department concerned. Where the securities regulatory authority in the place where the Company's shares are listed provides otherwise, such provisions shall apply.

**Article 155** The board of directors of the Company shall present to the shareholders, at each annual general meeting, such financial reports required to be prepared by the Company under relevant laws, administrative regulations, the Listing Rules, and relevant normative documents.

**Article 156** The Company shall not maintain any accounting books other than those required by law. No funds of the Company shall be deposited in accounts opened in the name of any individual.

**Article 157** When distributing its after-tax profits for the current year, the Company shall allocate ten percent of the profits to its statutory common reserve fund. Such allocation may be ceased if the cumulative amount of the Company's statutory common reserve fund reaches 50% or more of the Company's registered capital.

Where the Company's statutory common reserve fund is insufficient to make up for losses from previous years, the profits of the current year shall be applied to make up for such losses before any allocation is made to the statutory common reserve fund pursuant to the preceding paragraph.

After allocating after-tax profits to the statutory common reserve fund, the Company may, upon resolution of the shareholders' meeting, make allocations from after-tax profits to a discretionary common reserve fund.

The remaining after-tax profits after making up for losses and allocations to the reserve funds shall be distributed to shareholders in proportion to their shareholdings, unless otherwise provided in these Articles.

If a shareholders' meeting distributes profits to shareholders in violation of the provisions of the Company Law, the profits distributed must be returned to the Company. Where losses are caused to the Company, the shareholders and responsible directors and senior management officers shall be liable for compensation.

Shares of the Company held by the Company itself shall not participate in profit distribution.

The Company shall appoint one or more receiving agents in Hong Kong for shareholders of H Shares. Such receiving agents shall, on behalf of the relevant shareholders of H Shares, receive dividends declared by the Company in respect of the H Shares, as well as other monies payable, and hold such amounts pending payment to such shareholders of H Shares. The receiving agents appointed by the Company shall comply with the requirements of applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed.

**Article 158** The reserve funds of the Company shall be used to make up for the Company's losses, expand its production and operation, or be converted to increase the Company's registered capital.

When the reserve funds are used to make up for the Company's losses, the Company shall first use its discretionary common reserve fund and statutory common reserve fund; if losses remain unrecovered, the capital common reserve fund may be used in accordance with regulations.

When the statutory common reserve fund is converted into registered capital, the retained portion of such reserve fund shall not fall below 25 percent of the Company's registered capital prior to the conversion.

**Article 159** After the shareholders' meeting of the Company resolves on a profit distribution plan, or after the board of directors of the Company formulates a specific plan in accordance with the conditions and upper limit for the next interim dividend approved by the annual general meeting, the dividend (or share) distribution shall be completed within two months.

**Article 160** The profit distribution policy of the Company are as follows:

- (1) The profit distribution of the Company shall reflect a reasonable investment return for investors, and the profit distribution policy shall maintain continuity and stability;
- (2) The Company may distribute dividends in the form of cash or shares and may conduct interim dividend distribution in cash. Cash dividends and other monies payable by the Company to shareholders of unlisted domestic shares shall be paid in RMB. Cash dividends and other monies payable by the Company to shareholders of H Shares shall be denominated and declared in RMB and paid in foreign currencies or RMB. Foreign currencies required by the Company for the payment of cash dividends and other monies to shareholders of H Shares shall be handled in accordance with relevant national foreign exchange administration regulations;
- (3) Where a shareholder occupies funds, assets, or other resources of the Company in violation of regulations, the Company shall deduct the cash dividends distributable to that shareholder to recover the corresponding funds, assets, or other resources occupied; where a related party of a shareholder occupies or transfers funds, assets, or other resources of the Company, the Company shall deduct the cash dividends distributable to the shareholder associated with such related party to recover the corresponding funds, assets, or other resources occupied.

## **Section 2 Internal Audit**

**Article 161** The Company establishes an internal audit system to define the leadership structure, responsibilities, authority, staffing, funding, utilization of audit results, and accountability measures for internal audit activities.

**Article 162** The internal audit department of the Company oversees and inspects the Company's business operations, risk management, internal controls, financial information, and other related matters.

**Article 163** The internal audit department reports to the board of directors.

During the process of overseeing and inspecting the Company's business operations, risk management, internal controls, and financial information, the internal audit department shall be subject to the supervision and guidance of the Audit Committee. If the internal audit department discovers any significant issues or leads related to these matters, it shall immediately report directly to the Audit Committee.

### **Section 3 Appointment of Accounting Firm**

**Article 164** The Company shall appoint an accounting firm that complies with the provisions of the Securities Law to conduct audits of accounting statements, verification of net assets, and other related consulting services, etc., with a term of one year, which is renewable.

**Article 165** The appointment of an accounting firm by the Company shall be decided by the shareholders' meeting, hence the board of directors shall not appoint an accounting firm prior to the decision made by the shareholders' meeting.

**Article 166** The Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information to the appointed accounting firm without any refusal, concealment or misrepresentation.

**Article 167** The audit fees of the accounting firm shall be determined by the shareholders' meeting.

**Article 168** When the Company removes or does not renew the appointment of the accounting firm, it shall notify the accounting firm 30 days in advance, and the accounting firm shall be allowed to state its opinions when the Company's shareholders' meeting votes on the removal of the accounting firm.

If the accounting firm resigns, it shall make clear to the shareholders' meeting whether there is any impropriety on the part of the Company.

## **CHAPTER 8 NOTICE**

**Article 169** Notices of the Company may be delivered through one or more of the following means:

- (1) by hand;
- (2) by post, email or fax;
- (3) by announcement;
- (4) by way of publishing information on websites designated by the Company and the Stock Exchange, subject to the laws, administrative regulations and listing rules of the stock exchange of the place where the Company's shares are listed;

- (5) by any other means as approved by the relevant regulatory authorities of the place where the Company's shares are listed or as specified in these Articles.

Unless otherwise provided in these Articles, notices of shareholders' meetings and board meetings of the Company may be given by one or more of the foregoing means.

**Article 170** Where a notice to the shareholders of H Shares of the Company is given by way of announcement, an electronic version of the notice, in a form ready for immediate publication, shall be submitted to the Stock Exchange on the same day through the Stock Exchange's electronic submission system for publication on the Stock Exchange's website in accordance with the requirements of the listing rules of the stock exchange on which the Company's shares are listed, or an announcement (including an advertisement in a newspaper) shall be published in a newspaper in accordance with the requirements of the local listing rules. The announcement shall also be published on the Company's website at the same time.

Unless otherwise provided in these Articles, the shareholders of H Shares of the Company may, by written notice, elect to receive the corporate communications to be sent by the Company to shareholders by electronic means or by post, and may elect to receive only the Chinese version or the English version, or both the Chinese and English versions. They may also give prior written notice to the Company within a reasonable time to change, in accordance with the appropriate procedures, the manner in which and the language version in which they receive the aforesaid information.

Where a Shareholder or director wishes to prove that a notice, document, information or written statement has been served on the Company, he/she shall provide evidence that the relevant notice, document, information or written statement was served within the specified time by the usual means or sent by prepaid post to the correct address.

**Article 171** Subject to compliance with the laws, regulations, securities regulatory rules of the place where the Company's shares are listed and the provisions of these Articles, any notice given by the Company by way of announcement shall, upon such announcement being made, be deemed to have been received by all relevant persons.

**Article 172** Where a notice of the Company is served by hand, the date of service shall be the date on which the person to be served signs (or seals) the acknowledgement of service; where a notice of the Company is sent by post, the date of service shall be the fifth business day after the date of delivery to the post office; where a notice of the Company is sent by email, the date of service shall be the date on which the email is sent; where a notice of the Company is sent by fax, the date of service shall be the date on which the fax is sent; and where a notice of the Company is given by way of announcement, the date of service shall be the date on which the announcement is first published.

**Article 173** The Company shall issue announcements and make information disclosures to shareholders holding shares listed and traded on the NEEQ System through the information disclosure newspapers and websites designated by laws, administrative regulations or the relevant

domestic securities regulatory authorities. Where an announcement is required to be issued to shareholders of H Shares under these Articles, the relevant announcement shall also be published at the same time on the designated newspapers, the Stock Exchange's website, the Company's website and other websites from time to time prescribed by the Listing Rules in accordance with the requirements of the Listing Rules.

**Article 174** Notwithstanding the express requirement in Article 170 of these Articles to provide and/or dispatch corporate communications to shareholders of H Shares in written form, as regards the manner in which the Company provides and/or dispatches corporate communications to shareholders of H Shares in accordance with the requirements of the listing rules of the stock exchange on which the Company's shares are listed, if the Company has obtained the prior written consent or deemed consent of the shareholders in accordance with the relevant laws and regulations and the relevant provisions of the Stock Exchange's Listing Rules as amended from time to time, the Company may send or provide corporate communications to its shareholders of H Shares by electronic means or by publishing information on the Company's website or the Stock Exchange's website. Corporate communications include but are not limited to: circulars, annual reports, interim reports, quarterly reports, notices of shareholders' meetings, and other corporate communications listed in the Stock Exchange's Listing Rules.

**Article 175** The Company designates the NEEQ System website (<https://www.neeq.com.cn/>), the Stock Exchange's HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and other newspapers or websites that comply with the laws and regulations and are recognised by the NEEQ Company, the CSRC and the Stock Exchange as the media for publishing the Company's announcements and other information required to be disclosed.

**Article 176** Where, due to accidental omission, a meeting notice is not sent to a person entitled to receive it, or such person does not receive the meeting notice, the meeting and the resolutions passed at the meeting shall not be invalidated thereby.

## **CHAPTER 9 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION**

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

**Article 177** The merger of the Company may be effected by way of merger by absorption or merger by new establishment.

A merger whereby one company absorbs another or other companies is a merger by absorption, and the absorbed company or companies shall be dissolved. A merger whereby two or more companies merge to establish a new company is a merger by new establishment, and all merging parties shall be dissolved.

**Article 178** The Company may merge with a company in which it holds more than 90% of the shares. The merged company is not required to obtain a resolution of its shareholders' meeting, provided that it shall notify the other shareholders, who shall have the right to request the Company to purchase their equity interests or shares at a reasonable price.

Where the consideration payable for the company merger does not exceed 10% of the net assets of the Company, such merger may be effected without a resolution of the shareholders' meeting.

Where a merger is effected pursuant to the preceding two paragraphs without a resolution of the shareholders' meeting, such merger shall be approved by a resolution of the board of directors.

**Article 179** Where companies merge, all merging parties shall enter into a merger agreement and prepare balance sheets and schedules of assets. The Company shall notify its creditors within ten days from the date of adoption of the merger resolution and publish an announcement within thirty days on the website, media or the National Enterprise Credit Information Publicity System as specified in Article 175 of these Articles. A creditor may, within thirty days upon receipt of the notice or within forty-five days from the date of the announcement if no notice is received, request the Company to repay its debts or provide corresponding security.

**Article 180** Upon the merger of companies, the claims and liabilities of all merging parties shall be succeeded by the surviving company or the newly incorporated company resulting from the merger.

**Article 181** Where a company is divided, its property shall be divided accordingly.

Where a company is divided, it shall prepare a balance sheet and a schedule of assets. The Company shall notify its creditors within ten days from the date of adoption of the division resolution and publish an announcement within thirty days on the website, media or the National Enterprise Credit Information Publicity System as specified in Article 175 of these Articles.

**Article 182** Liabilities of the Company prior to its division shall be borne jointly and severally by the companies formed after the division, save for any otherwise agreed in a written agreement on debt repayment concluded between the Company and its creditors before the division.

**Article 183** Where the Company needs to reduce its registered capital, it must prepare a balance sheet and a schedule of assets.

The Company shall notify its creditors within ten days from the date on which the shareholders' meeting adopts the resolution to reduce registered capital, and publish an announcement within thirty days on the website, media or the National Enterprise Credit Information Publicity System as specified in Article 175 of these Articles.

A creditor shall have the right, within thirty days upon receipt of the notice or within forty-five days from the date of the announcement if no notice is received, to request the Company to repay its debts or provide corresponding security.

The registered capital of the Company after capital reduction shall not be less than the statutory minimum limit. The reduction of registered capital of the Company shall reduce the capital contribution or shares proportionately in accordance with the proportion of capital contribution or shares held by the shareholders, unless otherwise stipulated by laws, administrative regulations, departmental rules, the Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and these Articles.

## **Section 2 Dissolution and Liquidation**

**Article 184** The Company shall be dissolved for the following reasons:

- (1) The expiry of the business term specified in these Articles or the occurrence of other dissolution events stipulated in these Articles;
- (2) Dissolution by resolution of the shareholders' meeting;
- (3) Dissolution required by reason of the merger or division of the Company;
- (4) Revocation of business license, order for closure or cancellation in accordance with law;
- (5) Severe difficulties in the operation and management of the company such that continuance of its existence will cause substantial losses to the interests of shareholders and no resolution can be achieved through other means; shareholders holding not less than ten per cent of the voting rights of the company may apply to the people's court for dissolution of the company.

**Article 185** Where a Company falls within the circumstances set out in Article 184(1) and Article 184(2) of these Articles and has not yet distributed assets to its shareholders, it may continue its existence by amending these Articles or by a resolution of the shareholders' meeting.

Amendment of these Articles or passing of the shareholders' resolution in accordance with the preceding paragraph shall be approved by not less than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting.

**Article 186** Dissolution of the Company under Article 184(1), Article 184(2), Article 184(4) or Article 184(5) of these Articles shall trigger liquidation. The directors shall be the persons obligated to conduct liquidation and shall form a liquidation group within fifteen days from the date of occurrence of the cause for dissolution to carry out liquidation. The liquidation group shall consist of directors, save as otherwise provided in these Articles or where other persons are elected by a resolution of the shareholders' meeting. Where the persons obligated to conduct liquidation fail to perform their liquidation obligations in a timely manner and cause losses to the Company or its creditors, they shall be liable for compensation.

Where liquidation of the Company is required under the aforesaid provisions and a liquidation group is not formed to conduct liquidation upon expiry of the time limit, or liquidation is not carried out after formation of the liquidation group, interested parties may apply to the people's court to appoint relevant persons to form a liquidation group for conducting liquidation. Where the

Company is dissolved under Article 184(4) of these Articles, the authority which made the decision on revocation of business license, order for closure or cancellation, or the company registration authority, may apply to the people's court to appoint relevant persons to form a liquidation group for conducting liquidation.

**Article 187** Powers of the liquidation group during the liquidation period:

- (1) taking stock of the Company's assets and preparing a balance sheet and a list of assets respectively;
- (2) notifying and publishing notices to creditors;
- (3) handling the Company's outstanding business relating to liquidation;
- (4) settling outstanding taxes and taxes arising during the liquidation process;
- (5) clearing claims and liabilities;
- (6) disposing of the remaining assets of the Company after satisfaction of its liabilities;
- (7) representing the Company in civil litigation proceedings;

**Article 188** The liquidation group shall notify creditors within ten days from the date of its formation and publish an announcement on the website, media or the National Enterprise Credit Information Publicity System as stipulated in Article 175 of these Articles within sixty days. Creditors shall file their claims with the liquidation group within thirty days upon receipt of the notice, or within forty-five days from the date of the announcement if no notice is received.

Creditors shall state the relevant particulars of their claims and provide supporting documents when filing claims. The liquidation group shall register the claims.

No repayment shall be made by the liquidation group to creditors during the period for filing of claims.

**Article 189** After taking stock of the Company's assets and preparing the balance sheet and list of assets, the liquidation group shall formulate a liquidation plan and submit the same to the shareholders' meeting or the people's court for confirmation.

Surplus assets of the Company after payment of liquidation expenses, employees' wages, social insurance contributions and statutory compensation, settlement of outstanding taxes and satisfaction of the Company's liabilities shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the Company shall continue in existence but shall not carry out business activities unrelated to liquidation. No distribution of the Company's assets shall be made to shareholders prior to satisfaction of liabilities in accordance with the preceding paragraph.

**Article 190** Upon taking stock of the Company's assets and preparing the balance sheet and list of assets, if the liquidation group finds that the Company's assets are insufficient to satisfy its liabilities, it shall apply to the people's court for bankruptcy liquidation in accordance with the law.

Upon the people's court ruling to accept the bankruptcy liquidation application, the liquidation group shall transfer the liquidation affairs to the bankruptcy administrator appointed by the people's court.

**Article 191** Upon completion of the Company's liquidation, the liquidation group shall prepare a liquidation report, submit the same to the shareholders' meeting or the people's court for confirmation, and file the report with the company registration authority to apply for cancellation of the Company's registration.

**Article 192** Members of the liquidation group shall owe duties of loyalty and diligence when performing their liquidation functions. Where a member of the liquidation group neglects to perform liquidation functions and causes losses to the Company, such member shall be liable for compensation;

They shall be liable for compensation where losses are caused to creditors by wilful act or gross negligence.

**Article 193** Where the Company is lawfully declared bankrupt, bankruptcy liquidation shall be implemented in accordance with the laws relating to enterprise bankruptcy.

## **CHAPTER 10 INVESTOR RELATIONS MANAGEMENT**

**Article 194** The secretary to the board of directors of the Company shall serve as the person in charge of investor relations management. With a comprehensive and in-depth understanding of the Company's operations and management, operating conditions, development strategies, etc., the secretary to the board of directors shall be responsible for planning, arranging, and organizing various investor relations management activities. The Audit Committee shall supervise the implementation of the investor management work system.

The main targets of the Company's investor relations management include the Company's shareholders, potential investors, securities analysts, financial and industry media, securities regulatory authorities, and other relevant institutions and individuals.

**Article 195** The main contents of communication between the Company and investors in investor relations work are:

- (1) the Company's development strategy and industry development status, including the Company's development direction, development plans, competitive strategy, and business policies, etc.;
- (2) statutory information disclosure and explanations, including periodic reports and interim announcements, etc.;

- (3) management information that the Company may legally disclose, including production and operation status, financial conditions, research and development of new products or technologies, business performance, dividend distribution, etc.;
- (4) material matters that the Company may legally disclose, including the Company's significant investments and changes thereto, asset restructuring, mergers and acquisitions, external cooperation and guarantees, significant contracts, related party transactions, significant litigation or arbitration, changes in management or substantial shareholders, etc.;
- (5) corporate culture and non-economic matters that play an important role in the Company's development;
- (6) other information related to the Company that investors are concerned about.

**Article 196** The methods of communication between the Company and investors include but are not limited to: announcements, convening of shareholders' meetings, the Company's website, telephone or email communication, on-site visits, etc.

**Article 197** The Company shall establish a dispute resolution mechanism between investors and the Company in accordance with the law. If a dispute arises between the Company and an investor, the Company and the investor shall first seek resolution through negotiation; if negotiation fails, the dispute may be submitted to a professional mediation institution for securities and futures disputes for mediation; if mediation fails, arbitration may be applied for to an arbitration institution or litigation may be initiated in a people's court in accordance with the agreement with the investor or relevant provisions.

**Article 198** The Company shall formulate an investor relations management system to regulate the Company's investor relations management work, further protect the legitimate rights and interests of investors, establish a timely and mutually trusting good communication relationship between the Company and investors, and improve corporate governance.

## **CHAPTER 11 AMENDMENT TO ARTICLES**

**Article 199** The Articles shall be amended under any of the following circumstances:

- (1) Following amendment to the Company Law or relevant laws, administrative regulations, departmental rules, the Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed, the matters stipulated in the Articles conflict with the provisions of the amended laws, administrative regulations, departmental rules, the Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed;
- (2) Changes in the circumstances of the Company, which are inconsistent with the matters recorded in the Articles;
- (3) The shareholders' meeting decides to amend the Articles.

**Article 200** If the amendment to the Articles passed by the resolution of the shareholders' meeting is subject to approval by a competent authority, it must be reported to the competent authority for approval; if it involves matters subject to company registration, the change registration shall be handled in accordance with the law.

**Article 201** The board of directors shall amend these Articles in accordance with the resolution of the shareholders' meeting to amend the Articles and the approval opinions of the relevant competent authorities.

**Article 202** If the matters amended in the Articles constitute information required to be disclosed under relevant laws and administrative regulations, they shall be announced in accordance with the regulations.

## **CHAPTER 12 SUPPLEMENTARY PROVISIONS**

### **Article 203** Definitions

- (1) Controlling shareholder means a shareholder whose held shares exceed fifty percent of the Company's total share capital; or a shareholder whose voting rights enjoyed based on its held shares, although the proportion of held shares is less than fifty percent, are sufficient to have a significant impact on the resolutions of the shareholders' meeting; or a controlling shareholder as defined in the Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.
- (2) Actual controller means a person who can actually dominate the Company's conduct through investment relations, agreements, or other arrangements.
- (3) Affiliated relationship means the relationship between the Company's controlling shareholder, actual controller, directors, and senior management and the enterprises directly or indirectly controlled by them, as well as other relationships that may lead to the transfer of the Company's interests. However, enterprises controlled by the state do not have an affiliated relationship merely because they are both controlled by the state.
- (4) In these Articles, the meaning of "accounting firm" is consistent with the meaning of "auditor" in the Listing Rules, the meaning of "independent director" is consistent with the meaning of "independent non-executive director" in the Listing Rules, and "non-independent director" means directors who are not independent directors (independent non-executive directors) among the members of the board of directors.

**Article 204** The board of directors may, in accordance with these Articles, make regulations under these Articles. Such regulations shall not be inconsistent with these Articles.

**Article 205** These Articles are written in Chinese. If there is any ambiguity between this version and any version in any other language or different versions, the Chinese version of these Articles most recently approved and registered with the company registration authority shall prevail.

**Article 206** For the purposes of these Articles, “above,” “within,” and “below” include the given figure, while “less than,” “outside,” “below,” “more than,” and “exceed” do not include the given figure.

**Article 207** The annexes to these Articles include the Rules of Procedure for shareholders’ Meetings and the Rules of Procedure for Board Meetings.

**Article 208** Matters not covered in these Articles shall be handled in accordance with laws, administrative regulations, departmental rules, normative documents, the Listing Rules, and the regulatory rules of the securities regulatory authorities and stock exchanges where the Company’s shares are listed, combined with the actual situation of the Company. In the event of any conflict between these Articles and laws, administrative regulations, departmental rules, normative documents, the Listing Rules, the regulatory rules of the securities regulatory authorities and stock exchanges where the Company’s shares are listed promulgated from time to time, the provisions of the laws, administrative regulations, departmental rules, normative documents, the Listing Rules, the regulatory rules of the securities regulatory authorities and stock exchanges where the Company’s shares are listed shall prevail.

**Article 209** These Articles shall be interpreted by the board of directors of the Company.

**Article 210** These Articles shall be deliberated and approved by the shareholders’ meeting of the Company and shall come into effect and be implemented from the date when the Company’s H Shares are filed with the CSRC and listed and traded on the Stock Exchange. From the date on which these Articles come into effect, the original articles of association of the Company shall automatically become invalid.

**Jiangsu Slender West Lake Culture and Tourism Co., Ltd.**

August 30, 2026