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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shenzhen Hepalink Pharmaceutical Group Co., Ltd.**, you should at once hand this circular and the accompanying form of proxy and reply slip to the purchaser or the transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.
(深圳市海普瑞藥業集團股份有限公司)

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9989)

**(1) PROPOSED AMENDMENTS TO THE ARTICLES
AND RELATED RULES OF PROCEDURES OF THE COMPANY**
(2) PROPOSED CHANGE IN USE OF PROCEEDS
**(3) PROPOSED ADJUSTMENT TO THE APPLICATION FOR CREDIT LINE
AND PROVIDING GUARANTEE TO CERTAIN BANKS**
**(4) NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING
AND**
(5) NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

A letter from the Board is set out on pages 3 to 11 of this circular.

Notices of the extraordinary general meeting (the "EGM") and H Shareholders' Class Meeting to be held at 2:00 p.m. and 2:15 p.m. on Friday, December 15, 2023 at Ballroom, 2/F, L'Hermitage Hotel, 3031 Nanhai Boulevard, Nanshan District, Shenzhen, the PRC respectively, are being dispatched to the Shareholders together with this circular.

Shareholders who intend to appoint a proxy to attend the EGM and H Shareholders' Class Meeting shall complete and return the proxy form in accordance with the instructions printed thereon. The proxy form must be signed by you or your attorney duly authorised in writing or, in case of a legal person, must either be executed under its seal or under the hand of its director or other attorney duly authorised to sign the same. If the proxy form is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other document of authorisation, must be notarized.

In the case of joint holders of the Shares, only the holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the EGM and H Shareholders' Class Meeting, either in person or by proxy in respect of such Shares.

For H Share Shareholders, please return the proxy form together with any documents of authority to the Company's H Share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM and H Shareholders' Class Meeting. For information relating to attending the EGM for A Share Shareholders, please refer to the A Share announcement of the Company published on the website of the Shenzhen Stock Exchange. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM and H Shareholders' Class Meeting or any adjournment thereof should you so wish.

November 24, 2023

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Note: If there are any discrepancies between the Chinese version and the English version of this circular, the Chinese version shall prevail.

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“Articles”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Announcement”	the announcement of the Company dated November 20, 2023, in respect of the Proposed Amendments to the Articles and Proposed Change in Use of Proceeds
“A Share(s)”	domestic share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid in Renminbi and are listed for trading on the Shenzhen Stock Exchange
“A Share Shareholders”	holders of A Share(s)
“Board”	the board of Directors
“Company”	Shenzhen Hepalink Pharmaceutical Group Co., Ltd (深圳市海普瑞藥業集團股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose A Shares are listed on the Shenzhen Stock Exchange (stock code: 002399) and whose H Shares are listed on the main board of the Hong Kong Stock Exchange (stock code: 9989)
“Director(s)”	director(s) of the Company
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be convened and held on December 15, 2023
“Global Offering”	the global offering of the H Shares in July 2020
“Group”	the Company and its subsidiaries
“HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
“H Share Shareholder(s)”	the holder(s) of the H Share(s)

DEFINITIONS

“H Shareholders’ Class Meeting”	the H Shareholders’ class meeting to be convened and held on December 15, 2023
“Interim Report”	the interim report of the Company for the six months ended June 30, 2023 published on September 28, 2023
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Net Proceeds”	the net proceeds of RMB3,538.4 million from the Global Offering
“Notice of EGM”	the notice dated November 24, 2023 convening the EGM as set out on pages 56 to 57 of this circular
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Amendments to the Articles”	the proposed amendments to the Articles, the principal terms of which are set out under the section headed “II. PROPOSED AMENDMENTS TO THE ARTICLES” in the Letter from the Board
“Proposed Change in Use of Proceeds”	the proposed change in use of Net Proceeds, details of which are set out under the section headed “III. PROPOSED CHANGE IN USE OF PROCEEDS” in the Letter from the Board
“Prospectus”	the prospectus issued by the Company dated June 24, 2020
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising the A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Stock Exchange”	the Shenzhen Stock Exchange (深圳證券交易所)

LETTER FROM THE BOARD



SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.
(深圳市海普瑞藥業集團股份有限公司)

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9989)

Executive Directors:

Mr. Li Li (*Chairman of the Board*)
Ms. Li Tan (*Deputy General Manager*)
Mr. Shan Yu (*General Manager*)
Mr. Zhang Ping

Independent non-executive Directors:

Dr. Lu Chuan
Mr. Huang Peng
Mr. Yi Ming

Registered office in the PRC:

No. 21 Langshan Road
Nanshan District
Shenzhen PRC

*Principal place of business
in Hong Kong:*

Room 4724, 47/F
Sun Hung Kai Centre
30 Harbour Road
Wan Chai, Hong Kong

November 24, 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED AMENDMENTS TO THE ARTICLES
AND RELATED RULES OF PROCEDURES**
(2) PROPOSED CHANGE IN USE OF PROCEEDS
**(3) PROPOSED ADJUSTMENT TO THE APPLICATION FOR CREDIT LINE
AND PROVIDING GUARANTEE TO CERTAIN BANKS**
**(4) NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING
AND**
(5) NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

I. INTRODUCTION

The purpose of this circular is to provide you with information regarding, among other things, (i) the Proposed Amendments to the Articles and proposed amendments to related Rules of Procedures of the Company; (ii) the Proposed Change in Use of Proceeds; (iii) the proposed adjustment to the application for credit line and providing guarantee to certain banks; (iv) the Notice of EGM; and (v) the notice of H Shareholders' Class Meeting, to enable you to make an informed decision as to whether to vote for or against the relevant resolution(s) to be proposed at the EGM and the H Shareholders' Class Meeting.

LETTER FROM THE BOARD

Reference is made to the Announcement, in respect of, among other things, the Proposed Amendments to the Articles and Proposed Change in Use of Proceeds. Unless otherwise defined herein, capitalized terms used in this circular shall have the same meanings as those defined in the Announcement.

II. PROPOSED AMENDMENTS TO THE ARTICLES AND RELATED RULES OF PROCEDURES OF THE COMPANY

The Board proposes to amend the existing Articles of Association by adopting a new set of articles of association of the Company in substitution for, and to the exclusion of, the existing Articles, in view of the below and to make some other slight amendments.

On February 14, 2023, the State Council (the “**State Council**”) of the PRC issued the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) (the “**Decision**”), which includes the abolition of the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) issued by the State Council on August 4, 1994. On February 17, 2023, the China Securities Regulatory Commission issued the Trial Administrative Measures of Overseas Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and relevant guidelines, which includes the abolition of the Notice on the Implementation of the Mandatory Provisions for Companies Listing Overseas (《關於執行〈到境外上市公司章程必備條款〉的通知》). The Decision and the Trial Measures (collectively, the “**New PRC Regulations**”) have been effective since March 31, 2023. From the effective date of the New PRC Regulations, PRC issuers shall formulate their articles of association with reference to the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) instead of the Mandatory Provisions for Companies Listing Overseas (《到境外上市公司章程必備條款》). Furthermore, holders of domestic shares and H shares are no longer deemed to be different classes of shareholders, thus the class meeting requirement applicable to holders of domestic shares and H shares are no longer necessary and removed. In light of the above New PRC Regulations, on February 24, 2023, the Hong Kong Stock Exchange also released a consultation paper on “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” (the “**Consultation Paper**”) stipulating the consequential amendments to the Listing Rules. On July 21, 2023, the Hong Kong Stock Exchange published conclusions to the Consultation Paper. In particular, the Hong Kong Stock Exchange has made consequential amendments to the Listing Rules which have come into effect since August 1, 2023 to, amongst others, reflect the requirements of the New PRC Regulations. Accordingly, the Board proposes to amend its existing Articles to comply with the requirements of the Listing Rules and the applicable laws and regulations of the PRC and make slight adjustments to certain articles in the Articles in accordance with the operation and management needs of the Company.

LETTER FROM THE BOARD

The Board is of the view that the Proposed Amendments to the Articles (including the removal of the class meeting requirement from the Articles following the repeal of the Mandatory Provisions for Companies Listing Overseas) will not compromise protection of the H Share Shareholders and will not have material impact on measures relating to shareholder protection, as domestic shares and H shares are regarded as one class of ordinary shares under the PRC law, and the substantive rights attached to these two kinds of shares (including voting rights, dividends and asset distribution upon liquidation) are the same. After the Proposed Amendments take effect, the Company will continue to comply with Appendix 3 to the Listing Rules to meet the core shareholder protection level through compliance with PRC laws in combination with its Articles and will further monitor its ongoing compliance with these rules.

Details of the Proposed Amendments to the Articles are contained in Appendix I in this circular.

Please also refer to the Rules of Procedures for the Shareholders' General Meeting; Rules of Procedures for the Board of Directors; Rules of Procedures of the Independent Directors; Rules of Procedures for External Guarantees; Rules of Procedures of the Connected Transactions; Rules of Procedures for Major Investments; Rules of Procedures of the Remuneration and Performance Appraisal System for Directors, Supervisors and Senior Management; Rules of Procedures of the Accounting Firm Selection System published on the websites of the Shenzhen Stock Exchange and the Company on November 20, 2023.

The Proposed Amendments to the Articles and proposed amendments to related Rules and Procedures shall be subject to the passing of a special resolution by the Shareholders at the EGM and the H Shareholders' Class Meeting, and will become effective upon the approval by the Shareholders at the EGM and the H Shareholders' Class Meeting.

III. PROPOSED CHANGE IN USE OF PROCEEDS

As disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, approximately 30% of the Net Proceeds (or approximately RMB1,061.5 million) is intended to be used for improving capital structure and repaying the existing debt; approximately 30% of the Net Proceeds (or approximately RMB1,061.5 million) is intended to be used for expansion of the sales and marketing network and infrastructure in the European Union and other global markets, such as the PRC; approximately 20% of the Net Proceeds (or approximately RMB707.7 million) is intended to be used for expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance; and approximately 20% of the Net Proceeds (or approximately RMB707.7 million) is intended to be used for investment in innovative drugs.

As disclosed in the announcement of the Company dated September 30, 2022, the balance of the unutilized Net Proceeds amounted to RMB2,423.2 million and the Group announced the change in the use of the Net Proceeds, pursuant to which a portion of the balance of the unutilized Net Proceeds will be reallocated in accordance with, inter alia, the business needs of the Group and the market conditions, and approval of Shareholders was obtained at the extraordinary general meeting of the Company held on November 4, 2022 for this purpose.

LETTER FROM THE BOARD

As disclosed in the section headed “Use of Proceeds from the H Share Listing of the Company” in the Interim Report, the Company had used approximately RMB1,065.4 million of the Net Proceeds during the six months ended June 30, 2023 in the manner disclosed in the Interim Report and the remaining unutilized Net Proceeds amounted to approximately RMB1,037.7 million as at June 30, 2023.

Proposed Change in Use of Proceeds

As disclosed in the Announcement, given that the global economic environment has brought uncertainties to the Group’s operating environment due to high inflation and interest rate hikes, which resulted in a delay of the Group’s plans for expansion and investment, and for the reasons as explained in the section below headed “Reasons for and benefits of the Proposed Change in Use of Proceeds”, the Board proposes to further adjust the intended use of remaining unutilized Net Proceeds as follows:

1. Basic Information of the use of Net Proceeds before the Proposed Change in Use of Proceeds:

Business objectives	Revised allocation of unutilized Net Proceeds as at September 30, 2022 <i>(RMB million)</i>	Percentage of Net Proceeds <i>(%)</i>	Utilized as at the date of the Announcement <i>(RMB million)</i>	Unutilized Net Proceeds as at the date of the Announcement <i>(RMB million)</i>	Expected date of full utilization of the unutilized Net Proceeds
(1) Improving capital structure and repaying the existing debt	-	-	-	-	-
(2) Expansion of the sales and marketing network and infrastructure in the European Union and other global markets, such as the PRC	636.9	26.28%	484.9	152.0	Within next 24 months since September 30, 2022
(3) Expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance	451.8	18.64%	108.6	343.2	Within next 24 months since September 30, 2022
(4) Investment in innovative drugs	376.2	15.52%	9.4	366.7	Within next 24 months since September 30, 2022
(5) General working capital of the Company or, subject to permission under the PRC laws and regulations, the balance to be placed with PRC financial institutions as short-term deposits	958.3	39.56%	958.3	-	Within next 24 months since September 30, 2022
Total:	<u>2,423.2</u>	<u>100%</u>	<u>1,561.3</u>	<u>861.9</u>	

LETTER FROM THE BOARD

2. *Basic information of the use of Net Proceeds after the Proposed Change in Use of Proceeds:*

Business objectives	Revised allocation of unutilized Net Proceeds (RMB million)	Percentage of Net Proceeds (%)	Expected date of full utilization of the unutilized Net Proceeds
(1) Improving capital structure and repaying the existing debt	–	–	–
(2) Expansion of the sales and marketing network and infrastructure in the European Union and other global markets, such as the PRC; in expanding production scale and organization, increasing procurement and reserves of production resources	528.9	61.36%	On or before 30 November 2025
(3) Expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance	203.0	23.55%	On or before 30 November 2025
(4) Investment in innovative drugs	80.0	9.28%	On or before 30 November 2025
(5) General working capital of the Company or, subject to permission under the PRC laws and regulations, the balance to be placed with PRC financial institutions as short-term deposits	50.0	5.80%	On or before 30 November 2025
Total:	861.9		

Reasons for and benefits of the Proposed Change in Use of Proceeds

With the global economic situation and industry adjustment fluctuations, including sustained high inflation and high uncertainty in future interest rate trends, the Board believes that the primary task of the Group is still to mitigate the ongoing uncertainty in the operating environment. This can be achieved through (including but not limited to) (i) further supporting and expanding the sales and marketing network and infrastructure of the formulation business in the European Union and other global markets such as China; (ii) enhancing CDMO production capacity and promoting the commercialization of innovative drugs through more efficient schemes; (iii) reviewing the plan for the utilization of the existing Net Proceeds and adjusting the allocation when necessary and appropriate to ensure sufficient levels of liquidity; and (iv) implementing cost-saving measures to maintain a healthy financial position.

LETTER FROM THE BOARD

Since the listing of the Company's H shares in 2020, the formulation business has shown positive development. The sales revenue of the formulation business in 2020, 2021, and 2022 was RMB1,510.7 million, RMB2,638.2 million, and RMB3,210.5 million, respectively, with a compound annual growth rate of 37.7% over the past three years. The Group believes that it should allocate additional resources in accordance with the use of proceeds as specified in the prospectus to further support the expansion of sales and marketing networks and infrastructure in the European Union and other global markets, such as China. This will enable the Group to better expand its operations to support sales growth, including but not limited to enhancing production capacity, expanding production scale, increasing procurement and reserves of production resources, conducting more comprehensive market research, and expanding into new markets with targeted strategies, thereby continuously driving business growth. The Board believes that further reallocation of the unused Net Proceeds would be more beneficial to the Group's future business growth and profitability.

In 2023, the Group advanced the development of innovative drugs through different collaboration models. For instance, in March 2023, our subsidiary, Shenzhen OncoVent Biomedical Technology Co., Ltd. ("**OncoVent**"), signed a licensing agreement with biotechnology company Orient EuroPharma Co., Ltd. for Oregovomab. Through the synergistic effects of partnerships, we can effectively promote the strategic layout of innovative drugs and build diversified commercialization capabilities. These approaches may reduce the development costs of the Group's innovative drugs and enable more competitive commercialization in the local market. Therefore, the Board proposed that among RMB366.7 million of the remaining unused Net Proceeds originally intended for investment in innovative drugs, approximately RMB286.7 million be further reallocated to support the expansion of sales and marketing networks and infrastructure in the European Union and other global markets, such as China. The Board believes that these recommendations will allow the Group to allocate resources effectively and enhance its competitiveness in the industry and market, striving for better sales performance.

The Group's CDMO business is driven by its wholly-owned subsidiaries, Cytovance Biologics, Inc. ("**Cytovance**") and SPL Acquisition Corp ("**SPL**"). In 2022, we actively integrated the research resources and production capacity of the two platforms, effectively enhancing production and service capabilities. Additionally, with the end of the pandemic, the Group's orders for key enzymes required for mRNA vaccines have ceased, providing greater capacity for future growth of the CDMO business. Therefore, the Group believes that enhancing the production capacity of the CDMO business through lower-cost means and more efficient resource allocation aligns with the overall best interests of the Company and its shareholders. The Board therefore proposed that among RMB343.2 million of the remaining unused Net Proceeds originally intended for expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance, approximately RMB90.2 million be reallocated to support the expansion of sales and marketing networks and infrastructure in the European Union and other global markets, such as China, and to drive production and sales expansion for market share growth, which is advantageous for the Group's future expansion and development.

LETTER FROM THE BOARD

The Board also believes that reallocating approximately RMB50 million of the Net Proceeds originally intended for expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance, to general working capital purposes, rather than limiting it to specific uses, will allow the Group to adapt flexibly to changes in the market environment.

The Board considers that the reallocation of the Net Proceeds is in line with the Group's business strategy, will not have any adverse impact on the Group's operations and business, and is in the overall best interests of the Company and its shareholders. The Board will continuously review the plan for the use of the unused Net Proceeds and may revise the plan when necessary to respond to the evolving market conditions and strive for better business performance.

The Board considers that the development direction of the Company is still in line with the disclosures in the Prospectus despite the change in use of the unutilized Net Proceeds as stated above.

The Board (including independent non-executive Directors) confirms that there are no material changes in the nature of the business of the Group as set out in the Prospectus. The Board considers the Proposed Change in Use of Proceeds is fair and reasonable as this would allow the Company to deploy its financial resources more effectively to enhance the profitability of the Group and is therefore in the interests of the Group and the Shareholders as a whole, and will not have any significant adverse impact on the Group's existing business and operations. The Board will continuously assess the plan for the use of the unutilized Net Proceeds and may revise or amend such plan where necessary to cope with the rapidly changing market conditions and strive for better business performance of the Group.

According to the Articles and the relevant laws and regulations in the PRC, the Proposed Change in Use of Proceeds is subject to the approval of the Shareholders by way of an ordinary resolution at the general meeting of the Company.

IV. PROPOSED ADJUSTMENT TO THE APPLICATION FOR CREDIT LINE AND PROVIDING GUARANTEE TO CERTAIN BANKS

Please refer to the announcement on the proposed adjustment to the application for credit line and providing guarantee to certain banks of the Company published on the websites of the Shenzhen Stock Exchange and the Hong Kong Stock Exchange on November 20, 2023.

This resolution has been considered and approved at the meeting of the Board held on November 20, 2023 and is hereby proposed to the EGM as a special resolution for consideration and approval.

V. THE 2023 FIRST EXTRAORDINARY GENERAL MEETING AND THE H SHAREHOLDERS' CLASS MEETING

The Company will convene the EGM and the H Shareholders' Class Meeting for the Shareholders to consider and, if thought fit, to approve above relevant resolutions. A notice of the EGM and notice of the H Shareholders' Class Meeting to be held at 2:00 p.m. and 2:15 p.m. respectively on Friday, December 15, 2023 at Ballroom, 2/F, L'Hermitage Hotel, 3031 Nanhai Boulevard, Nanshan District, Shenzhen, the PRC, are set out on pages 56 to 59 of this circular.

LETTER FROM THE BOARD

A proxy form to be used at the EGM and H Shareholders' Class Meeting is also enclosed herein and published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). H Share Shareholders who intend to appoint a proxy to attend the EGM and H Shareholders' Class Meeting shall complete, sign and return the proxy form in accordance with the instructions printed thereon.

For H Share Shareholders, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarized copy of that power of attorney or other authority, must be delivered to the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 24 hours before the time for holding the EGM and H Shareholders' Class Meeting in order for such documents to be valid.

Pursuant to the Articles, for the purpose of holding the EGM and H Shareholders' Class Meeting, the register of members of H Shares will be closed from Tuesday, December 12, 2023 to Friday, December 15, 2023 (both days inclusive), during this period no transfer of H Shares will be registered. H Share Shareholders whose names appear on the H Shares register of members of the Company on Friday, December 15, 2023 are entitled to attend and vote at the EGM and H Shareholders' Class Meeting. For information relating to attending the EGM for A Share Shareholders, please refer to the A Share announcement of the Company published on the website of the Shenzhen Stock Exchange.

In order to attend the EGM and H Shareholders' Class Meeting, H Share Shareholders shall lodge all transfer documents together with the relevant share certificates to the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, December 11, 2023.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution that relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolutions proposed at the EGM and H Shareholders' Class Meeting will be voted by poll.

VI. RESPONSIBILITY STATEMENTS

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

LETTER FROM THE BOARD

VII. RECOMMENDATION

The Directors believe that the proposed resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of such resolutions which will be proposed at the EGM and the H Shareholders' Class Meeting.

By order of the Board
Shenzhen Hepalink Pharmaceutical Group Co., Ltd.

Li Li
Chairman

**COMPARISON TABLE OF THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF
SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD.**

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Chapter 1 General Provisions	Chapter 1 General Provisions
<p>Article 1 To protect the legitimate rights and interests of the Company, its shareholders and creditors thereof, and to regulate the organization and acts of the Company, the Articles of Association is formulated pursuant to the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (hereinafter referred to as the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (hereinafter referred to as the “Mandatory Provisions”), the Reply on Opinions concerning the Supplement and Amendment to Articles of Association by Companies to be Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as the “Zheng Jian Hai Han”), the Official Reply of the State Council on Adjusting the Provisions Governing Matters Including the Application of the Notice Period for the Convening of Shareholders’ General Meetings by Companies Listed Overseas (hereinafter referred to as the “Reply on Adjusting the Notice Period”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), and other relevant provisions.</p>	<p>Article 1 To protect the legitimate rights and interests of the Company, its shareholders and creditors thereof, and to regulate the organization and acts of the Company, the Articles of Association is formulated pursuant to the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), <u>the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises, the Guidelines on Articles of Association of Listed Companies (hereinafter referred to as the “Articles”)</u> (hereinafter referred to as the <u>“Guidelines on Articles”</u>) the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (hereinafter referred to as the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (hereinafter referred to as the “Mandatory Provisions”), the Reply on Opinions concerning the Supplement and Amendment to Articles of Association by Companies to be Listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1, hereinafter referred to as the “Zheng Jian Hai Han”), the Official Reply of the State Council on Adjusting the Provisions Governing Matters Including the Application of the Notice Period for the Convening of Shareholders’ General Meetings by Companies Listed Overseas (hereinafter referred to as the “Reply on Adjusting the Notice Period”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), and other relevant provisions.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 2 The Company is a joint stock company with limited liability (hereinafter referred to as the “Company”) incorporated in accordance with the Company Law, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p> <p>Upon approval by the Ministry of Commerce of the People’s Republic of China in Shang Zi Pi [2007] No. 2025 Document on December 6, 2007, the Company was established by Shenzhen Hepalink Pharmaceutical Company Limited (a Sino-foreign joint venture) by promotion through change according to the law and the original investors of Shenzhen Hepalink Pharmaceutical Company Limited were the promoters of the Company; the Company was registered with Shenzhen Administration for Industry and Commerce and obtained its business license on December 27, 2007, with social credit code 91440300279544901A.</p>	<p>Article 2 The Company is a joint stock company with limited liability (hereinafter referred to as the “Company”) incorporated in accordance with the Company Law, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p> <p>Upon approval by the Ministry of Commerce of the People’s Republic of China in Shang Zi Pi [2007] No. 2025 Document on December 6, 2007, the Company was established by Shenzhen Hepalink Pharmaceutical Company Limited (a Sino-foreign joint venture) by promotion through change according to the law and the original investors of Shenzhen Hepalink Pharmaceutical Company Limited were the promoters of the Company; the Company was registered with Shenzhen Administration for Industry and Commerce and obtained its business license on December 27, 2007, with social credit code 91440300279544901A.</p>
<p>Article 5 The address of the Company: No. 21 Langshan Road, Songpingshan, Nanshan District, Shenzhen; Postcode: 518057; Telephone number: +86755 2698 0200; Fax number: +86755 2698 0183.</p>	<p>Article 5 The address of the Company: No. 21 Langshan Road, Songpingshan, Nanshan District, Shenzhen; Postcode: 518057; Telephone number: +86755 2698 0200; Fax number: +86755 2698 0183. <u>(The branch office is located at No. 1 Rongtian Road, Kengzi Street, Pingshan District, Shenzhen City, Guangdong Province)</u></p>
<p>Article 10 The Articles of Association shall take effect after consideration and approval at the Shareholders’ general meeting and as from the date on which the Company’s H shares are listed on the Hong Kong Stock Exchange. The original articles of association of the Company shall become null and void automatically on the date when the Articles of Association come into effect.</p> <p>From the date on which the Articles of Association comes into effect, the Articles of Association shall constitute a legally binding document that regulates the Company’s organization and actions, and governs the rights and obligations between the Company and each of its shareholders and of the shareholders inter se.</p>	<p>Article 10 The Articles of Association shall take effect after consideration and approval at the Shareholders’ general meeting and as from the date on which the Company’s H shares are listed on the Hong Kong Stock Exchange. The original articles of association of the Company shall become null and void automatically on the date when the Articles of Association come into effect.</p> <p>From the date on which the Articles of Association comes into effect, the Articles of Association shall constitute a legally binding document that regulates the Company’s organization and actions, and governs the rights and obligations between the Company and each of its shareholders and of the shareholders inter se.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>The Articles of Association shall be binding on the Company, its Shareholders, directors, supervisors, general manager and other senior management, all of whom shall be entitled to claim their rights on any matters relating to the Company pursuant to the Articles of Association. Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, the Company’s directors, supervisors, general manager and other senior management and the Company, and the Company may take legal action against its shareholders, directors, supervisors, general manager and other senior management.</p> <p>For the purpose of the preceding paragraph, the term “take legal action” shall include the instituting of legal proceedings with a court or filing with an arbitral authority for arbitration.</p>	<p>The Articles of Association shall be binding on the Company, its Shareholders, directors, supervisors, general manager and other senior management, all of whom shall be entitled to claim their rights on any matters relating to the Company pursuant to the Articles of Association. Pursuant to the Articles of Association, a shareholder may take legal action against other shareholders, the Company’s directors, supervisors, general manager and other senior management and the Company, and the Company may take legal action against its shareholders, directors, supervisors, general manager and other senior management.</p> <p>For the purpose of the preceding paragraph, the term “take legal action” shall include the instituting of legal proceedings with a court or filing with an arbitral authority for arbitration.</p>
<p>Article 12 To the extent permitted by laws and regulations, the Company may invest in other limited liability companies or joint-stock companies, and shall be liable to the invested companies to the extent of its capital contribution. Unless otherwise provided by laws, the Company shall not be the capital contributor bearing joint liability for the debts of the invested companies.</p> <p>Upon approval by the company approval authority authorized by the State Council, the Company may invest and operate based on its management needs and in accordance with the Company Law.</p>	<p>Article 12 To the extent permitted by laws and regulations, the Company may invest in other limited liability companies or joint-stock companies, and shall be liable to the invested companies to the extent of its capital contribution. Unless otherwise provided by laws, the Company shall not be the capital contributor bearing joint liability for the debts of the invested companies.</p> <p>Upon approval by the company approval authority authorized by the State Council, the Company may invest and operate based on its management needs and in accordance with the Company Law.</p>
<p>Chapter 3 Shares</p>	<p>Chapter 3 Shares</p>
<p>Section 1 Issuance of Shares</p>	<p>Section 1 Issuance of Shares</p>
<p>Article 15 The Company shall have ordinary shares at all times. According to its needs, the Company may have other classes of shares upon approval of the department authorized by the State Council.</p>	<p>Article 15 <u>Shares of a company take the form of stocks.</u> The Company shall have ordinary shares at all times. According to its needs, the Company may have other classes of shares upon approval of the department authorized by the State Council.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 18 The Company may issue its shares to domestic and foreign investors upon approval by the securities regulatory authority of the State Council.</p> <p>The term “foreign investors” referred to in the preceding paragraph shall refer to those investors from foreign countries and Hong Kong, Macau or Taiwan who subscribe for shares issued by the Company. The term “domestic investors” shall refer to those investors in the PRC, excluding the aforementioned regions, who subscribe for shares issued by the Company.</p>	Deleted.
<p>Article 19 Shares issued by the Company to domestic investors and other qualified investors for subscription in RMB shall be referred to as “domestic shares”. Shares issued by the Company to foreign investors for subscription in foreign currencies shall be referred to as “foreign shares”. Foreign shares listed outside the PRC shall be referred to as “overseas listed foreign shares”.</p> <p>Shares issued upon approval by the securities regulatory authority of the State Council and listed on an overseas stock exchange upon approval by the overseas securities regulatory authority shall be referred to as “overseas listed shares”. Shareholders of domestic shares and shareholders of overseas listed shares are both ordinary shareholders. The overseas listed foreign shares offered by the Company on the Hong Kong Stock Exchange shall be referred to as “H shares”. H shares are shares which have been admitted for listing on the Hong Kong Stock Exchange, the par value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars.</p> <p>The term “foreign currencies” referred to in the preceding paragraph refers to the statutory currency, other than RMB, of another country or region, which is recognized by the foreign exchange authority of the PRC and can be used to pay the share price to the Company.</p>	Deleted.

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Overseas listed foreign shares issued by the Company and listed in Hong Kong are shares which have been admitted for listing on the Hong Kong Stock Exchange, the par value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars.</p> <p>Shareholders of domestic shares and shareholders of overseas listed foreign shares are both ordinary shareholders and shall have the same rights and bear the same obligations in any distribution in the form of dividends or other forms.</p>	
<p>Article 23 Before the issuance of the H shares, the Company had a total of 1,247,201,704 shares, which were all ordinary shares.</p> <p>Upon approval by the CSRC on April 1, 2020, the Company issued 220,094,500 H shares to the foreign investors. After the aforesaid issuance, the Company had a total of 1,467,296,204 shares, which were all ordinary shares, including 1,247,201,704 shares held by shareholders of domestic listed shares, accounting for about 85% of the Company's total share capital; and 220,094,500 shares held by shareholders of H shares, accounting for about 15% of the Company's total share capital.</p>	<p>Article 21 <u>The Company has a total of 1,467,296,204 shares, which were all ordinary shares, including 1,247,201,704 domestically listed shares, accounting for approximately 85% of the Company's total share capital; and 220,094,500 H shares, accounting for approximately 15% of the Company's total share capital.</u> Before the issuance of the H shares, the Company had a total of 1,247,201,704 shares, which were all ordinary shares.</p> <p>Upon approval by the CSRC on April 1, 2020, the Company issued 220,094,500 H shares to the foreign investors. After the aforesaid issuance, the Company had a total of 1,467,296,204 shares, which were all ordinary shares, including 1,247,201,704 shares held by shareholders of domestic listed shares, accounting for about 85% of the Company's total share capital; and 220,094,500 shares held by shareholders of H shares, accounting for about 15% of the Company's total share capital.</p>
<p>Article 24 The Board of Directors of the Company may make arrangements for separately issuing H shares and domestic shares according to the issuance scheme approved by the securities regulatory authority of the State Council.</p> <p>According to the aforesaid scheme for separate issuance of H shares and domestic shares, the Company may issue the shares within 15 months after approval by the securities regulatory authority of the State Council or in the validity period of the approval documents thereof.</p>	<p>Deleted.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 25 If the Company separately issues H shares and domestic shares within the total number specified in the plan for issuance, the said shares shall be issued respectively at one time; if it is impossible for the shares to be issued at one time for special reasons, the shares may be issued across several times upon approval by the securities regulatory authority of the State Council.</p>	Deleted.
<p>Section 2 Increase, Decrease and Repurchase of Shares</p>	<p>Section 2 Increase, Decrease and Repurchase of Shares</p>
<p>Article 29 The Company may repurchase its shares in the following circumstances according to laws, administrative regulations, departmental rules and the Articles of Association: (I) reduction of the Company’s registered capital; (II) merging with another company holding shares in the Company; (III) use of its shares for carrying out an employee stock ownership plan or equity incentive; (IV) requests to the Company to acquire their shares by shareholders who have voted against the resolutions passed at a Shareholders’ general meeting on the merger or division of the Company; (V) use of shares for conversion of convertible corporate bonds issued by a listed company; (VI) the share repurchase is necessary for a listed company to maintain its corporate value and protect its Shareholders’ equity; and (VII) other circumstances permitted by laws and administrative regulations.</p> <p>Except for the circumstances set out above, the Company shall not repurchase its shares.</p>	<p>Article 25 The Company may not repurchase its shares in the following circumstances according to laws, administrative regulations, departmental rules and the Articles of Association; <u>except in one of the following circumstances:</u> (I) reduction of the Company’s registered capital; (II) merging with another company holding shares in the Company; (III) use of its shares for carrying out an employee stock ownership plan or equity incentive; (IV) requests to the Company to acquire their shares by shareholders who have voted against the resolutions passed at a Shareholders’ general meeting on the merger or division of the Company; (V) use of shares for conversion of convertible corporate bonds issued by a listed company; (VI) the share repurchase is necessary for a listed company to maintain its corporate value and protect its Shareholders’ equity; and (VII) other circumstances permitted by laws and administrative regulations.</p> <p>Except for the circumstances set out above, the Company shall not repurchase its shares</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 33 Repurchase of the Company's shares for reasons set out in Items (I) and (II) of the first paragraph of Article 29 of the Articles of Association shall be subject to approval by the Shareholders' general meeting; repurchase of the Company's shares for reasons set out in Items (III), (V) and (VI) of the first paragraph of Article 29 of the Articles of Association shall be subject to approval by a meeting of the Board of Directors with the attendance of more than two-thirds of the directors, according to the provisions of the Company's Articles of Association or as authorized by the Shareholders' general meeting.</p> <p>The shares acquired under the circumstances in Item (I) of the first paragraph of Article 29 of the Articles of Association shall be deregistered within 10 days from the date of acquisition; the shares shall be assigned or deregistered within six months if the share repurchase is made under the circumstances in either Item (II) or Item (IV); and the shares held in aggregate by the Company after a share repurchase under any of the circumstances in Item (III), Item (V) or Item (VI) shall not exceed 10% of the Company's total outstanding shares, and shall be assigned or deregistered within three years.</p> <p>Upon repurchase of shares, the Company shall cancel those shares and apply to register the change of the registered capital with the original companies' registration authority. The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p>	<p>Article 29 Repurchase of the Company's shares for reasons set out in Items (I) and (II) of the first paragraph of Article 29 26 of the Articles of Association shall be subject to approval by the Shareholders' general meeting; repurchase of the Company's shares for reasons set out in Items (III), (V) and (VI) of the first paragraph of Article 29 26 of the Articles of Association shall be subject to approval by a meeting of the Board of Directors with the attendance of more than two-thirds of the directors, according to the provisions of the Company's Articles of Association or as authorized by the Shareholders' general meeting.</p> <p>The shares acquired under the circumstances in Item (I) of the first paragraph of Article 26 of the Articles of Association shall be deregistered within 10 days from the date of acquisition; the shares shall be assigned or deregistered within six months if the share repurchase is made under the circumstances in either Item (II) or Item (IV); and the shares held in aggregate by the Company after a share repurchase under any of the circumstances in Item (III), Item (V) or Item (VI) shall not exceed 10% of the Company's total outstanding shares, and shall be assigned or deregistered within three years.</p> <p>Upon repurchase of shares, the Company shall cancel those shares and apply to register the change of the registered capital with the original companies' registration authority. The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 3 Transfer of Shares	Section 3 Transfer of Shares
<p>Article 39 Shares held by promoters shall not be transferred within one year from the date of establishment of the Company. Shares issued prior to the Company’s initial public offering shall not be transferable within one year after the date on which the Company’s shares are listed on the stock exchange.</p> <p>The directors, supervisors and senior management of the Company shall notify the Company about their shareholdings and changes thereof and shall not transfer more than 25% of their shares per annum during their terms of office. Shares of the Company held by them shall not be transferred within one year after the shares of the Company are listed and within 6 months after their departure from the Company. In the period of twelve months commencing from the date on which the aforesaid six months expire, the shares disposed by them through the listing on stock exchange shall not exceed 50% of their total shareholding of the Company.</p>	<p>Article 35 Shares held by promoters shall not be transferred within one year from the date of establishment of the Company. Shares issued prior to the Company’s initial public offering shall not be transferable within one year after the date on which the Company’s shares are listed on the stock exchange.</p> <p>The directors, supervisors and senior management of the Company shall notify the Company about their shareholdings and changes thereof and shall not transfer more than 25% of their shares per annum during their terms of office. Shares of the Company held by them shall not be transferred within one year after the shares of the Company are listed and within 6 months after their departure from the Company. In the period of twelve months commencing from the date on which the aforesaid six months expire, the shares disposed by them through the listing on stock exchange shall not exceed 50% of their total shareholding of the Company.</p>
<p>Article 40 If the directors, supervisors, senior management and shareholders holding more than 5% of the shares of the Company sell shares within six months after buying the same or buy shares within six months after selling the same, the gains arising therefrom shall belong to the Company and the Board of the Company shall recover the said gains. However, if a securities firm holds more than 5% of the shares by buying the shares remaining after exclusive selling, the said 6-month limitation for selling the said shares shall not apply.</p>	<p>Article 36 If the directors, supervisors, senior management and shareholders holding more than 5% of the shares of the Company sell shares <u>or other equity-type securities</u> within six months after buying the same or buy shares within six months after selling the same, the gains arising therefrom shall belong to the Company and the Board of the Company shall recover the said gains. However, if a securities firm holds more than 5% of the shares by buying the shares remaining after exclusive selling, the said 6-month limitation for selling the said shares shall not apply <u>except for other circumstances specified by the CSRC.</u></p> <p><u>The shares or other equity-type securities held by Directors, supervisors, senior management, and natural person shareholders as mentioned in the preceding paragraph include shares or other equity-type securities held by their spouses, parents, and children and those held using other people’s accounts. securities.</u></p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>If the Board of the Company does not observe the provision in the preceding paragraph, the shareholders have the right to require the Board to execute the provision within 30 days. If the Board fails to execute the provision within the aforesaid period, the shareholders shall have the right to directly institute legal proceedings in the people’s court in their own names for the interest of the Company.</p> <p>If the Board fails to observe the provision in the first paragraph, the responsible directors shall bear joint liability according to the law.</p>	<p>If the Board of the Company does not observe the provision in the preceding first paragraph, the shareholders have the right to require the Board to execute the provision within 30 days. If the Board fails to execute the provision within the aforesaid period, the shareholders shall have the right to directly institute legal proceedings in the people’s court in their own names for the interest of the Company.</p> <p>If the Board fails to observe the provision in the first paragraph, the responsible directors shall bear joint liability according to the law.</p>
Section 4 Financial Assistance for the Purchase of Shares of the Company	Deleted.
Chapter 4 Shareholders and Shareholders’ General Meetings	Chapter 4 Shareholders and Shareholders’ General Meetings
Section 1 Shareholders	Section 1 Shareholders
<p>Article 56 Shareholders of the Company are persons lawfully holding shares of the Company, with names (titles) recorded in the register of shareholders. The Company shall keep a register of shareholders according to the vouchers provided by the securities registration authority. Such a register bears adequate evidence of the shareholders holding shares of the Company. A shareholder shall enjoy rights and bear obligations according to the class and quantity of his/her shares. Shareholders of the same class shall enjoy the same rights and bear the same obligations.</p>	<p>Article 37 Shareholders of the Company are persons lawfully holding shares of the Company, with names (titles) recorded in the register of shareholders. The Company shall keep a register of shareholders according to the vouchers provided by the securities registration authority. Such a register bears adequate evidence of the shareholders holding shares of the Company. A shareholder shall enjoy rights and bear obligations according to the class and quantity of his/her shares. Shareholders of the same class shall enjoy the same rights and bear the same obligations.</p>
<p>Article 57 If the Company convenes a Shareholders’ general meeting, distributes dividends, commences liquidation or executes any other act requiring identification the of shareholders, the convener of the Board meeting or the Shareholders’ general meeting shall determine the record date, at the end of which the shareholders in the register shall be shareholders entitled to the relevant interests.</p>	<p>Article 38 If the Company convenes a Shareholders’ general meeting, distributes dividends, commences liquidation or executes any other act requiring identification of the shareholders, the convener of the Board meeting or the Shareholders’ general meeting shall determine the record date, at the end of which the shareholders in the register shall be shareholders entitled to the relevant interests.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 2 General Provisions for Shareholders' General Meetings	Section 2 General Provisions for Shareholders' General Meetings
<p>Article 67 The Shareholders' general meeting shall be the governing organ of the Company. It may exercise the following powers in accordance with the law: (I) to decide on the business policies and investment plans of the Company; (II) to elect and replace directors, and supervisors who are not appointed as representatives of the employees and to decide on the remuneration of the relevant directors and supervisors; (III) to consider and approve reports made by the Board; (IV) to consider and approve reports made by the Supervisory Committee; (V) to consider and approve the Company's annual financial budgets and final accounts; (VI) to consider and approve the Company's profit distribution plans and loss recovery plans; (VII) to resolve on the increase or reduction of the Company's registered capital; (VIII) to resolve on the issuance of bonds of the Company; (IX) to resolve on matters such as the merger, division, dissolution, liquidation or change of form of the Company; (X) to amend the Articles of Association; (XI) to resolve on the appointment or removal of any accounting firm by the Company; (XII) to consider the proposals raised by the shareholders severally or jointly representing more than 3% of the voting shares of the Company; (XIII) to consider the guarantees stated in Article 68 of the Articles of Association; (XIV) to consider the acquisitions or disposals of any major assets by the Company of which the amount exceeds 30% of its latest audited total assets within the last year; (XV) to consider and approve any change of the use of proceeds raised; (XVI) to consider the share incentive schemes; and (XVII) to consider such other matters to be resolved at the Shareholders' general meeting as stipulated by laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association.</p>	<p>Article 48 The Shareholders' general meeting shall be the governing organ of the Company. It may exercise the following powers in accordance with the law: (I) to decide on the business policies and investment plans of the Company; (II) to elect and replace directors, and supervisors who are not appointed as representatives of the employees and to decide on the remuneration of the relevant directors and supervisors; (III) to consider and approve reports made by the Board; (IV) to consider and approve reports made by the Supervisory Committee; (V) to consider and approve the Company's annual financial budgets and final accounts; (VI) to consider and approve the Company's profit distribution plans and loss recovery plans; (VII) to resolve on the increase or reduction of the Company's registered capital; (VIII) to resolve on the issuance of bonds of the Company; (IX) to resolve on matters such as the merger, division, dissolution, liquidation or change of form of the Company; (X) to amend the Articles of Association; (XI) to resolve on the appointment or removal of any accounting firm by the Company; (XII) to consider the proposals raised by the shareholders severally or jointly representing more than 3% of the voting shares of the Company; (XIII) (XII) to consider the guarantees stated in Article 68 of the Articles of Association; (XIV) (XIII) to consider the acquisitions or disposals of any major assets by the Company of which the amount exceeds 30% of its latest audited total assets within the last year; (XV) (XIV) to consider and approve any change of the use of proceeds raised; (XVI) (XV) to consider the share incentive schemes and employs share ownership plan; and (XVII) (XVI) to consider such other matters to be resolved at the Shareholders' general meeting as stipulated by laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association.</p>
<p>The foregoing functions and powers of the Shareholders' general meeting shall not be exercised by the Board of Directors or any other body or individual on its behalf by means of authorization.</p>	<p>The foregoing functions and powers of the Shareholders' general meeting shall not be exercised by the Board of Directors or any other body or individual on its behalf by means of authorization.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 68 The provision of any of the following guarantee for any external party by the Company shall be considered and approved by the Shareholders' general meeting: (I) any guarantee to be provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries has reached or exceeded 50% of the Company's latest audited net assets; (II) guarantees where the amount of guarantees provided in the preceding 12 consecutive months exceeds 30% of the Company's latest audited total assets; (III) guarantees where the amount of guarantees provided in the preceding 12 consecutive months exceeds 50% of the Company's latest audited net assets, with the absolute amount exceeding RMB50 million; (IV) any guarantee provided for any entity with an asset-liability ratio of more than 70%; (V) any single guarantee with a value of more than 10% of the latest audited net assets of the Company; (VI) guarantees provided to shareholders, de facto controller and their related parties; and (VII) other external guarantees which are subject to consideration at the Shareholders' general meeting in accordance with the laws, administrative regulations, departmental rules, regulatory documents, listing rules for stock exchanges where the Company's shares are listed.</p> <p>External guarantees to be considered at the Shareholders' general meeting shall be considered and approved by the Board before submission to the Shareholders' general meeting for consideration.</p>	<p>Article 49 The provision of any of the following guarantee for any external party by the Company shall be considered and approved by the Shareholders' general meeting: (I) any guarantee to be provided after the total amount of external guarantees provided by the Company and its controlled subsidiaries has reached or exceeded 50% of the Company's latest audited net assets; (II) <u>guarantee provided after the total external guarantees of the Company and its holding subsidiaries exceed 30% of the latest audited total assets</u> guarantees where the amount of guarantees provided in the preceding 12 consecutive months exceeds 30% of the Company's latest audited total assets; (III) guarantees where the amount of guarantees provided <u>within one year</u> in the preceding 12 consecutive months exceeds <u>30%</u> 50% of the Company's latest audited <u>total</u> net assets, with the absolute amount exceeding RMB50 million; (IV) any guarantee provided for any entity with an asset-liability ratio of more than 70%; (V) any single guarantee with a value of more than 10% of the latest audited net assets of the Company; (VI) guarantees provided to shareholders, de facto controller and their related parties; and (VII) other external guarantees which are subject to consideration at the Shareholders' general meeting in accordance with the laws, administrative regulations, departmental rules, regulatory documents, listing rules for stock exchanges where the Company's shares are listed.</p> <p>External guarantees to be considered at the Shareholders' general meeting shall be considered and approved by the Board before submission to the Shareholders' general meeting for consideration.</p>

<p style="text-align: center;">Existing Terms of the Articles of Association</p>	<p style="text-align: center;">Proposed Amendment to the Articles of Association</p>
<p style="text-align: center;">Section 3 Convening of Shareholders’ General Meetings</p>	<p style="text-align: center;">Section 3 Convening of Shareholders’ General Meetings</p>
<p>Article 75 Shareholders individually or jointly holding 10% or more of the voting shares at the meeting to be held shall have the right to request the Board to convene an extraordinary general meeting or a class meeting, and shall put forward such request to the Board in writing and specify the topics of discussion of the meeting. The Board shall, pursuant to laws, administrative regulations, listing rules for stock exchanges where the Company’s share are listed and the Articles of Association, give a written reply on whether it consents to convening the extraordinary general meeting or class meeting within 10 days after receipt of the written request.</p> <p>If the Board agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of the meeting within five days after the resolution is made by the Board. In the event of any change to the original request set forth in the notice, the consent of the relevant shareholders shall be obtained.</p> <p>If the Board does not agree to convene the extraordinary general meeting or class meeting or fails to give a reply within 10 days after receipt of the request, the shareholders individually or jointly holding 10% or more voting shares at the meeting to be held shall have the right to request the Supervisory Committee to convene an extraordinary general meeting or class meeting, and shall put forward such request to the Supervisory Committee in writing.</p> <p>If the Supervisory Committee agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of such meeting within five days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of the relevant shareholders shall be obtained.</p>	<p>Article 56 Shareholders individually or jointly holding 10% or more of the voting shares at the meeting to be held shall have the right to request the Board to convene an extraordinary general meeting or a class meeting, and shall put forward such request to the Board in writing and specify the topics of discussion of the meeting. The Board shall, pursuant to laws, administrative regulations, listing rules for stock exchanges where the Company’s share are listed and the Articles of Association, give a written reply on whether it consents to convening the extraordinary general meeting or class meeting within 10 days after receipt of the written request.</p> <p>If the Board agrees to convene the extraordinary general meeting or a class meeting, it shall serve a notice of the meeting within five days after the resolution is made by the Board. In the event of any change to the original request set forth in the notice, the consent of the relevant shareholders shall be obtained.</p> <p>If the Board does not agree to convene the extraordinary general meeting or a class meeting or fails to give a reply within 10 days after receipt of the request, the shareholders individually or jointly holding 10% or more voting shares at the meeting to be held shall have the right to request the Supervisory Committee to convene an extraordinary general meeting or a class meeting, and shall put forward such request to the Supervisory Committee in writing.</p> <p>If the Supervisory Committee agrees to convene the extraordinary general meeting or a class meeting, it shall serve a notice of such meeting within five days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of the relevant shareholders shall be obtained.</p>

<p align="center">Existing Terms of the Articles of Association</p>	<p align="center">Proposed Amendment to the Articles of Association</p>
<p>If the Supervisory Committee fails to serve the notice of the Shareholders’ general meeting or class meeting within the prescribed period, it shall be deemed as failing to convene and preside over the Shareholders’ general meeting or class meeting, and the shareholders individually or jointly holding 10% or more voting shares at the meeting to be held for more than 90 days consecutively may convene and preside over the meeting.</p>	<p>If the Supervisory Committee fails to serve the notice of the Shareholders’ general meeting or a class meeting within the prescribed period, it shall be deemed as failing to convene and preside over the Shareholders’ general meeting or a class meeting, and the shareholders individually or jointly holding 10% or more voting shares at the meeting to be held for more than 90 days consecutively may convene and preside over the meeting.</p>
<p>Article 76 Where the Supervisory Committee or shareholders decide to convene a Shareholders’ general meeting by itself/themselves, the Board of Directors shall be notified in writing, and the meeting shall be registered with the local branch of the CSRC at the location of the Company and the stock exchange where the Company’s shares are listed.</p> <p>The shareholder(s) convening the Shareholders’ general meeting shall hold no less than 10% of the shares of the Company prior to the announcement of any resolution approved at the Shareholders’ general meeting.</p> <p>The Supervisory Committee or the convening shareholders shall, upon issuing the notice of Shareholders’ general meeting and announcement of any resolution approved at such meeting, submit the relevant documentation to the CSRC office at the location of the Company and the stock exchange where the Company’s shares are listed.</p>	<p>Article 57 Where the Supervisory Committee or shareholders decide to convene a Shareholders’ general meeting by itself/themselves, the Board of Directors shall be notified in writing, and the meeting shall be registered with the local branch of the CSRC at the location of the Company and the stock exchange where the Company’s shares are listed.</p> <p>The shareholder(s) convening the Shareholders’ general meeting shall hold no less than 10% of the shares of the Company prior to the announcement of any resolution approved at the Shareholders’ general meeting.</p> <p>The Supervisory Committee or the convening shareholders shall, upon issuing the notice of Shareholders’ general meeting and announcement of any resolution approved at such meeting, submit the relevant documentation to the CSRC office at the location of the Company and the stock exchange where the Company’s shares are listed.</p>
<p align="center">Section 4 Proposals and Notice of Shareholders’ General Meetings</p>	<p align="center">Section 4 Proposals and Notice of Shareholders’ General Meetings</p>
<p>Article 81 The convener shall notify shareholders of the annual general meeting by announcement 20 working days before the meeting, and shall notify shareholders of the extraordinary general meeting by announcement 15 days (and at least 10 working days) before the meeting.</p>	<p>Article 62 The convener shall notify shareholders of the annual general meeting by announcement 20 working days before the meeting, and shall notify shareholders of the extraordinary general meeting by announcement 15 days (and at least 10 working days) before the meeting.</p>

<p style="text-align: center;">Existing Terms of the Articles of Association</p>	<p style="text-align: center;">Proposed Amendment to the Articles of Association</p>
<p>Article 83 The notice of a Shareholders’ general meeting shall: (I) be issued in writing; (II) specify the time, venue, form and duration of the meeting; (III) state the matters and proposals to be considered at the meeting; (IV) provide shareholders with all such information and explanation necessary to enable Shareholders to make informed decisions on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and the contracts, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained; (V) if any of the directors, supervisors, general manager and other senior management have material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a director, supervisor, general manager and other senior management in their capacity as shareholders from that on the shareholders of the same class, they shall explain such difference; (VI) contain the full text of any special resolution to be voted on at the meeting; (VII) contain a prominent statement stating that all shareholders are entitled to attend the meeting and appoint a proxy in writing to attend and vote on his/her behalf, and such proxy need not be a shareholder of the Company; (VIII) specify the time and venue for delivering the proxy form authorizing the proxy to vote at the relevant meeting; (IX) specify the record date for determining the shareholders who are entitled to attend the Shareholders’ general meeting. The interval between the record date and the meeting date shall not be more than seven working days. The record date shall not be changed once confirmed; and (X) state the names and telephone numbers of the standing contact persons for the meeting.</p>	<p>Article 64 The notice of a Shareholders’ general meeting shall: (I) be issued in writing announcement; (II) specify the time, venue, form and duration of the meeting; (III) state the matters and proposals to be considered at the meeting; (IV) provide shareholders with all such information and explanation necessary to enable Shareholders to make informed decisions on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and the contracts, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained; (V) if any of the directors, supervisors, general manager and other senior management have material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a director, supervisor, general manager and other senior management in their capacity as shareholders from that on the shareholders of the same class, they shall explain such difference; (VI) contain the full text of any special resolution to be voted on at the meeting; (VII) contain a prominent statement stating that all shareholders are entitled to attend the meeting and appoint a proxy in writing to attend and vote on his/her behalf, and such proxy need not be a shareholder of the Company; (VIII) specify the time and venue for delivering the proxy form authorizing the proxy to vote at the relevant meeting; (IX) specify the record date for determining the shareholders who are entitled to attend the Shareholders’ general meeting. The interval between the record date and the meeting date shall not be more than seven working days. The record date shall not be changed once confirmed; (X) state the names and telephone numbers of the standing contact persons for the meeting; <u>and (XI) Voting time and voting procedures online or by other means</u></p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Where a Shareholders’ general meeting is held online or through other means, the designated time and procedure for voting online or other means shall be expressly stated in the notice of such meeting.</p> <p>Notices and supplementary notices of Shareholders’ general meetings shall adequately and completely disclose the specific contents of all proposals, as well as all the information or explanations necessary for the shareholders to make a reasonable judgment in respect of the matters to be discussed. Where the opinions of an independent director are required in relation to the matters to be discussed, such opinions and reasons shall be disclosed when the notices or supplementary notices of Shareholders’ general meetings are served.</p>	<p>Where a Shareholders’ general meeting is held online or through other means, the designated time and procedure for voting online or other means shall be expressly stated in the notice of such meeting.</p> <p>Notices and supplementary notices of Shareholders’ general meetings shall adequately and completely disclose the specific contents of all proposals, as well as all the information or explanations necessary for the shareholders to make a reasonable judgment in respect of the matters to be discussed. Where the opinions of an independent director are required in relation to the matters to be discussed, such opinions and reasons shall be disclosed when the notices or supplementary notices of Shareholders’ general meetings are served.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 85 Unless otherwise stipulated by laws, administrative regulations, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association, the notice of a Shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless of whether they have voting rights at the Shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For shareholders of domestic shares, the notice of a Shareholders' general meeting may be in the form of an announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers specified by the securities regulatory authority of the State Council 20 to 25 working days prior to the date on which the annual general meeting is to be convened, and 15 to 20 days (and not less than 10 working days) prior to the date on which the extraordinary general meeting is to be convened, and all holders of domestic shares shall be deemed to have been notified of the forthcoming Shareholders' general meeting once the announcement is published.</p> <p>Provided that such action complies with relevant laws and regulations and the listing rules for stock exchanges where the Company's shares are listed and fulfills relevant procedures, for shareholder of H shares, the Company may also send the aforesaid notice of the Shareholders' general meeting to the shareholders through the website of the Company and the website specified by the Hong Kong Stock Exchange or by other methods approved by the Hong Kong Listing Rules and the Articles of Association to replace the method of delivery by hand or prepaid mail to holders of H shares.</p>	<p>Article 66 Unless otherwise stipulated by laws, administrative regulations, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association, the notice of a Shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless of whether they have voting rights at the Shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For shareholders of domestic shares, the notice of a Shareholders' general meeting may be in the form of an announcement.</p> <p>The announcement referred to in the preceding paragraph The convener shall publish the notice of a Shareholders' general meeting in one or more newspapers specified by the securities regulatory authority of the State Council 20 to 25 working days prior to the date on which the annual general meeting is to be convened, and 15 to 20 days (and not less than 10 working days) prior to the date on which the extraordinary general meeting is to be convened, and all <u>shareholders</u> of domestic shares shall be deemed to have been notified of the forthcoming Shareholders' general meeting once the announcement is published.</p> <p>Provided that such action complies with relevant laws and regulations and the listing rules for stock exchanges where the Company's shares are listed and fulfills relevant procedures, for shareholder of H shares, the Company may also send the aforesaid notice of the Shareholders' general meeting to the shareholders through the website of the Company and the website specified by the Hong Kong Stock Exchange or by other methods approved by the Hong Kong Listing Rules and the Articles of Association to replace the method of delivery by hand or prepaid mail to holders of H shares.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 5 Holding of Shareholders' General Meetings	Section 5 Holding of Shareholders' General Meetings
<p>Article 102 Minutes of a Shareholders' general meeting shall be kept by the Secretary to the Board. The meeting minutes shall specify: (I) the time, venue and agenda of the meeting, and the name of the convener; (II) the names of the chairperson, and the directors, supervisors, general manager and other senior management attending or present at the meeting; (III) the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the percentage of these shares to the total number of shares of the Company; (IV) the consideration process, summaries of speeches and voting result for each proposal; (V) details of the inquiries or suggestions from shareholders, and the corresponding response or explanations; (VI) the name(s) of the lawyer(s), counting officer(s) and monitoring officer(s); and (VII) other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p>	<p>Article 83 Minutes of a Shareholders' general meeting shall be kept by the Secretary to the Board. The meeting minutes shall specify: (I) the time, venue and agenda of the meeting, and the name of the convener; (II) the names of the chairperson, and the directors, supervisors, general manager and other senior management attending or present at the meeting; (III) the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the percentage of these shares to the total number of shares of the Company; (IV) the consideration process, summaries of speeches and voting result for each proposal; (V) details of the inquiries or suggestions from shareholders, and the corresponding response or explanations; (VI) the name(s) of the lawyer(s), counting officer(s) and monitoring officer(s); <u>(VII) the number of shares with voting rights held by holders of domestic shares (including proxies of shareholders) and holders of domestically listed foreign shares (including proxies of shareholders) who attended the general meeting of shareholders, each accounting for the proportion of the company's total shares;</u> <u>(VIII) When recording the voting results, the voting status of each resolution matter shall also be recorded by the shareholders of domestic shares and the shareholders of domestically listed foreign shares;</u> and <u>(IX)</u> other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 6 Voting and Resolutions at the Shareholders' General Meetings	Section 6 Voting and Resolutions at the Shareholders' General Meetings
<p>Article 108 The following matters shall be approved by special resolution at the Shareholders' general meeting: (I) increase or reduction of the registered capital and the issuance of shares of any class, warrants and other similar securities of the Company; (II) issuance of bonds by the Company; (III) merger, division, change in corporate form, dissolution and liquidation of the Company; (IV) amendments to the Articles of Association; (V) purchase or disposal of substantial assets by the Company within one year or guarantee within one year with an amount exceeding 30% of the latest audited total assets of the Company; (VI) share incentive schemes; (VII) adjustment or change of the profit distribution policy; and (VIII) other matters stipulated by laws, administrative regulations, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association, and specified by ordinary resolutions of the Shareholders' general meeting that are considered to be significant to the Company and shall be approved by special resolutions.</p>	<p>Article 89 The following matters shall be approved by special resolution at the Shareholders' general meeting: (I) increase or reduction of the registered capital and the issuance of shares of any class, warrants and other similar securities of the Company; (II) issuance of bonds by the Company; (III) merger, division, merger, change in corporate form, dissolution and liquidation of the Company; (IV) amendments to the Articles of Association <u>(including the rules of procedure for the general meeting of shareholders, the rules of procedure for the Board of Directors and the rules of procedure for the Board of supervisors)</u>; (V) purchase or disposal of substantial assets by the Company within one year or guarantee within one year with an amount exceeding 30% of the latest audited total assets of the Company; (VI) share incentive schemes; <u>(VII) spin-off of subsidiaries and listing; (VIII) issue shares, convertible corporate bonds, preferred stocks and other securities recognized by the CSRC; (IX) repurchase shares for the purpose of reducing registered capital; (X) major asset restructuring; (XI) appointment, dismissal and remuneration of accounting firms;</u> and (XII) other matters stipulated by laws, administrative regulations, listing rules for stock exchanges where the Company's shares are listed or the Articles of Association, and specified by ordinary resolutions of the Shareholders' general meeting that are considered to be significant to the Company and shall be approved by special resolutions.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 109 Shareholders (including proxies thereof) shall exercise their voting rights as per the voting shares they represent. Each share carries the right to one vote.</p> <p>When the Shareholders' general meeting considers significant matters that could affect the interests of medium and small investors, the votes by medium and small investors shall be counted separately. The results of such separate vote counting shall be disclosed promptly and publicly in accordance with relevant laws and regulations and the listing rules for stock exchanges where the Company's shares are listed.</p> <p>The Company has no voting right for the shares it holds, and these shares shall be excluded from the total number of voting shares represented by the shareholders attending the Shareholders' general meeting.</p> <p>The Board, independent directors and shareholders who satisfy relevant requirements may solicit voting rights from shareholders. Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Consideration or de facto consideration for soliciting Shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p>Article 90 Shareholders (including proxies thereof) shall exercise their voting rights as per the voting shares they represent. Each share carries the right to one vote.</p> <p>When the Shareholders' general meeting considers significant matters that could affect the interests of medium and small investors, the votes by medium and small investors shall be counted separately. The results of such separate vote counting shall be disclosed promptly and publicly in accordance with relevant laws and regulations and the listing rules for stock exchanges where the Company's shares are listed.</p> <p><u>If a shareholder purchases the Company's voting shares in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the shares exceeding the prescribed proportion shall not exercise voting rights within 36 months after the purchase. And it is not included in the total number of shares with voting rights present at the general meeting of shareholders.</u></p> <p>The Company has no voting right for the shares it holds, and these shares shall be excluded from the total number of voting shares represented by the shareholders attending the Shareholders' general meeting.</p> <p>The Board, independent directors and shareholders who satisfy relevant requirements may solicit voting rights from shareholders <u>holding more than 1% of voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the China Securities Regulatory Commission may publicly solicit shareholder voting rights.</u> Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Consideration or de facto consideration for soliciting Shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights, <u>except for statutory conditions.</u></p>

<p align="center">Existing Terms of the Articles of Association</p>	<p align="center">Proposed Amendment to the Articles of Association</p>
<p>Article 110 When a related party transaction is considered at a Shareholders’ general meeting, the related shareholders may attend the Shareholders’ general meeting and may express their views to the attending shareholders in accordance with meeting procedure, but shall not vote, and the voting shares represented by them shall not be counted in the total number of valid votes; the announcement of any resolution made at the Shareholders’ general meeting shall adequately disclose information relating to voting by non-related shareholders.</p> <p>The chairperson of the meeting shall, before any proposal on related party transactions is considered at the Shareholders’ general meeting, inform related shareholders that they are not entitled to vote on the proposal, and announce the number of attending shareholders and proxies other than related shareholders and the total number of their voting shares.</p> <p>The votes cast by any related shareholder on related party transactions in violation of this Article shall be invalid.</p> <p>Resolution at a Shareholders’ general meeting on a related party transaction shall be passed by votes representing more than one half of the voting rights held by non-related shareholders attending the Shareholders’ general meeting. However, if the related party transaction involves any of the matters specified in Article 108 of the Articles of Association, a resolution at a Shareholders’ general meeting on the related party transaction shall be passed by votes representing more than two thirds of the voting rights held by non-related shareholders attending the Shareholders’ general meeting.</p>	<p>Article 91 When a related party transaction is considered at a Shareholders’ general meeting, the related shareholders may attend the Shareholders’ general meeting and may express their views to the attending shareholders in accordance with meeting procedure, but shall not vote, and the voting shares represented by them shall not be counted in the total number of valid votes; the announcement of any resolution made at the Shareholders’ general meeting shall adequately disclose information relating to voting by non-related shareholders.</p> <p>The chairperson of the meeting shall, before any proposal on related party transactions is considered at the Shareholders’ general meeting, inform related shareholders that they are not entitled to vote on the proposal, and announce the number of attending shareholders and proxies other than related shareholders and the total number of their voting shares.</p> <p>The votes cast by any related shareholder on related party transactions in violation of this Article shall be invalid.</p> <p>Resolution at a Shareholders’ general meeting on a related party transaction shall be passed by votes representing more than one half of the voting rights held by non-related shareholders attending the Shareholders’ general meeting. However, if the related party transaction involves any of the matters specified in Article 108 89 of the Articles of Association, a resolution at a Shareholders’ general meeting on the related party transaction shall be passed by votes representing more than two thirds of the voting rights held by non-related shareholders attending the Shareholders’ general meeting.</p>
<p>Article 111 The Company shall provide convenience to shareholders to attend Shareholders’ general meetings by whatever means including preferentially providing modern IT means such as online voting platform, provided that the Shareholders’ general meetings shall be held legally and validly.</p>	<p>Deleted.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 114 A cumulative voting system shall be adopted for the election of more than one director or supervisor at the Shareholders’ general meeting.</p> <p>The cumulative voting system referred to in the preceding paragraph means that each share shall be entitled to the number of votes equivalent to the number of directors or supervisors to be elected at the Shareholders’ general meeting, and shareholders may consolidate their votes for one or more directors or supervisors. The Board of Directors shall provide shareholders with the brief biographies and background information of the candidates for the roles of directors or supervisors.</p>	<p>Article 94 A cumulative voting system shall be adopted for the election of director or supervisor at the Shareholders’ general meeting. <u>When the number of electors is one, a single proposal shall be submitted.</u></p> <p>The cumulative voting system referred to in the preceding paragraph means that each share shall be entitled to the number of votes equivalent to the number of directors or supervisors to be elected at the Shareholders’ general meeting, and shareholders may consolidate their votes for one or more directors or supervisors. The Board of Directors shall provide shareholders with the brief biographies and background information of the candidates for the roles of directors or supervisors.</p>

<p style="text-align: center;">Existing Terms of the Articles of Association</p>	<p style="text-align: center;">Proposed Amendment to the Articles of Association</p>
<p>The principles below shall be followed for voting at a Shareholders’ general meeting under the cumulative voting system: (I) the number of candidates for the roles of directors or supervisors may be greater than that of the directors or supervisors to be elected at the Shareholders’ general meeting, but the number of candidates to be voted by each shareholder shall not exceed the number of directors or supervisors to be elected at the Shareholders’ general meeting, and the total number of votes allocated to the shareholders shall not exceed the number of votes held by them; otherwise, the votes shall be invalid; (II) voting for independent directors and non-independent directors shall be carried out separately. For the election of independent directors, the number of votes each shareholder is entitled to shall be equal to the number of shares held by the shareholder multiplied by the number of independent directors to be elected, and such votes must be cast only for the candidates for the role of the Company’s independent directors; for the election of non- independent directors, the number of votes each shareholder is entitled to shall be equal to the number of shares held by the shareholder multiplied by the number of non-independent directors to be elected, and such votes must be cast only for the candidates for the role of the Company’s non-independent directors; and (III) the candidates to be finally elected as directors or supervisors shall be determined according to the numbers of votes they have received, but the minimum number of votes each candidate elected has received must exceed half of the total number of shares held by shareholders (including proxies thereof) attending the Shareholders’ general meeting. If the number of directors or supervisors elected falls short of the number of directors or supervisors to be elected at the Shareholders’ general meeting, a new round of voting shall be carried out for the candidates for the roles of directors or supervisors not having received the required number of votes to fill the shortage. If the shortage is still not filled, a by-election shall be conducted at the next Shareholders’ general meeting of the Company. If two or more candidates for the roles of directors or supervisors have the same number of votes, but not all of them can be elected according to the election quota, a separate round of voting shall be conducted for such candidates with the same number of votes.</p>	<p>The principles below shall be followed for voting at a Shareholders’ general meeting under the cumulative voting system: (I) the number of candidates for the roles of directors, <u>independent directors</u> or supervisors may be greater than that of the directors or supervisors to be elected at the Shareholders’ general meeting, but the number of candidates to be voted by each shareholder shall not exceed the number of directors, <u>independent directors</u> or supervisors to be elected at the Shareholders’ general meeting, and the total number of votes allocated to the shareholders shall not exceed the number of votes held by them; otherwise, the votes shall be invalid; (II) voting for independent directors and non-independent directors shall be carried out separately. For the election of independent directors, the number of votes each shareholder is entitled to shall be equal to the number of shares held by the shareholder multiplied by the number of independent directors to be elected, and such votes must be cast only for the candidates for the role of the Company’s independent directors; for the election of non- independent directors, the number of votes each shareholder is entitled to shall be equal to the number of shares held by the shareholder multiplied by the number of non-independent directors to be elected, and such votes must be cast only for the candidates for the role of the Company’s non-independent directors; and (III) the candidates to be finally elected as directors, <u>independent directors</u> or supervisors shall be determined according to the numbers of votes they have received, but the minimum number of votes each candidate elected has received must exceed half of the total number of shares held by shareholders (including proxies thereof) attending the Shareholders’ general meeting. If the number of directors, <u>independent directors</u> or supervisors elected falls short of the number of directors, <u>independent directors</u> or supervisors to be elected at the Shareholders’ general meeting, a new round of voting shall be carried out for the candidates for the roles of directors, <u>independent directors</u> or supervisors not having received the required number of votes to fill the shortage. If the shortage is still not filled, a by-election shall be conducted at the next Shareholders’ general meeting of the Company. If two or more candidates for the roles of directors, <u>independent directors</u> or supervisors have the same number of votes, but not all of them can be elected according to the election quota, a separate round of voting shall be conducted for such candidates with the same number of votes.</p>

<p style="text-align: center;">Existing Terms of the Articles of Association</p>	<p style="text-align: center;">Proposed Amendment to the Articles of Association</p>
<p>Article 124 An on-site Shareholders’ general meeting shall not conclude earlier than that held online or by other means, and the chairperson of the meeting shall be responsible for determining whether a proposal is passed or not at the Shareholders’ general meeting according to the voting results of each proposal. His/her decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minutes.</p> <p>Before the voting results are announced, the relevant parties including the Company, counting officer, monitoring officer, substantial shareholders and network service provider involved at the venue, online or otherwise shall have a confidentiality obligation.</p>	<p>Article 104 An on-site Shareholders’ general meeting shall not conclude earlier than that held online or by other means, and the chairperson of the meeting shall be responsible for determining announcing whether a proposal is passed or not at the Shareholders’ general meeting according to the voting results of each proposal. His/her decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minutes.</p> <p>Before the voting results are announced, the relevant parties including the Company, counting officer, monitoring officer, substantial shareholders and network service provider involved at the venue, online or otherwise shall have a confidentiality obligation.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 7 Special Procedures for Voting by Class Shareholders	Deleted.
Chapter 5 Board of Directors	Chapter 5 Board of Directors
Section 2 Board of Directors	Section 2 Board of Directors
<p>Article 151 The Board shall exercise the following functions and powers: (I) to convene Shareholders’ general meetings and report to the Shareholders’ general meeting; (II) to implement resolutions passed at the Shareholders’ general meetings; (III) to determine the Company’s business plans and investment plans; (IV) to formulate the Company’s annual financial budgets and final accounting plans; (V) to formulate the Company’s profit distribution plans and loss recovery plans; (VI) to formulate the proposals for increase or decrease of the Company’s registered capital, and proposals for the issuance of bonds or other securities and listing; (VII) to formulate plans for any substantial acquisition by the Company, repurchase of Shares or merger, division, dissolution and change in form of the Company; (VIII) to decide matters relating, but not limited to, to the Company’s external investments, purchase and disposal of assets, mortgage of assets, external guarantees, entrusted wealth management and connected transactions within the scope of authority granted by the Shareholders’ general meeting; (IX) to decide the establishment of the Company’s internal management structure; (X) to appoint or dismiss the Company’s general manager and Secretary to the Board and, based on nomination by the general manager, to appoint or dismiss senior management including the deputy general manager and chief financial officer of the Company and to determine their remuneration, incentives and penalties; (XI) to formulate the basic management policies of the Company; (XII) to formulate the proposals for any amendment to the Articles of Association; (XIII) to manage matters relating to information disclosure of the Company; (XIV) to propose to the Shareholders’ general meeting the appointment or change of the accounting firm acting as the auditors of the Company; (XV) to consider and review the working report and the work of the general manager of the Company; and (XVI) to perform other functions and powers specified by the laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company’s shares are listed or the Articles of Association.</p>	<p>Article 123 The Board shall exercise the following functions and powers: (I) to convene Shareholders’ general meetings and report to the Shareholders’ general meeting; (II) to implement resolutions passed at the Shareholders’ general meetings; (III) to determine the Company’s business plans and investment plans; (IV) to formulate the Company’s annual financial budgets and final accounting plans; (V) to formulate the Company’s profit distribution plans and loss recovery plans; (VI) to formulate the proposals for increase or decrease of the Company’s registered capital, and proposals for the issuance of bonds or other securities and listing; (VII) to formulate plans for any substantial acquisition by the Company, repurchase of Shares or merger, division, dissolution and change in form of the Company; (VIII) to decide matters relating, but not limited to, to the Company’s external investments, purchase and disposal of assets, mortgage of assets, external guarantees, entrusted wealth management, and <u>and donations</u> within the scope of authority granted by the Shareholders’ general meeting; (IX) to decide the establishment of the Company’s internal management structure; (X) <u>to decide</u> to appoint or dismiss the Company’s general manager and Secretary to the Board and <u>other senior management, and decide on their remuneration matters and rewards and punishment matters</u>, based on nomination by the general manager, <u>decide</u> to appoint or dismiss senior management including the deputy general manager and chief financial officer of the Company and to determine their remuneration, incentives and penalties; (XI) to formulate the basic management policies of the Company; (XII) to formulate the proposals for any amendment to the Articles of Association; (XIII) to manage matters relating to information disclosure of the Company; (XIV) to propose to the Shareholders’ general meeting the appointment or change of the accounting firm acting as the auditors of the Company; (XV) to consider and review the working report and the work of the general manager of the Company; and (XVI) to perform other functions and powers specified by the laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company’s shares are listed or the Articles of Association.</p>

<p style="text-align: center;">Existing Terms of the Articles of Association</p>	<p style="text-align: center;">Proposed Amendment to the Articles of Association</p>
<p>The Board may resolve on the issues specified in the preceding paragraph by approval of more than one half of the directors save for the issues specified in (VI), (VII) and (XII) and other issues specified by the laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company’s shares are listed or the Articles of Association, for which approval of two thirds of the directors is required.</p> <p>The Board of the Company may have an Audit Committee and other special committees on strategy, nomination, remuneration and evaluation as needed. The special committees shall be accountable to the Board and fulfill duties as specified in the Articles of Association and as authorized by the Board, and proposals of the committees shall be submitted to the Board for examination and decision. The special committees shall all consist of directors. In the Audit Committee, Nomination Committee, and Remuneration and Evaluation Committee, independent directors shall be the majority and shall act as conveners, and the convener of the Audit Committee shall be an accountant. The Board shall be responsible for formulating the procedures governing the work of the special committees and regulate their operations.</p>	<p>The Board may resolve on the issues specified in the preceding paragraph by approval of more than one half of the directors save for the issues specified in (VI), (VII) and (XII) and other issues specified by the laws, administrative regulations, departmental rules, listing rules for stock exchanges where the Company’s shares are listed or the Articles of Association, for which approval of two thirds of the directors is required.</p> <p>The Board of the Company may have an Audit Committee and other special committees on strategy, nomination, remuneration and evaluation as needed. The special committees shall be accountable to the Board and fulfill duties as specified in the Articles of Association and as authorized by the Board, and proposals of the committees shall be submitted to the Board for examination and decision. The special committees shall all consist of directors. In the Audit Committee, Nomination Committee, and Remuneration and Evaluation Committee, independent directors shall be the majority and shall act as conveners, and the convener of the Audit Committee shall be an accountant. The Board shall be responsible for formulating the procedures governing the work of the special committees and regulate their operations.</p>
<p>Article 152 The Board shall not dispose of or agree to dispose of any fixed assets without the approval of the Shareholders’ general meeting if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within four months prior to such proposal to dispose of the fixed assets exceeds 33% of the value of the fixed assets as shown on the latest balance sheet considered and approved by the Shareholders’ general meeting.</p> <p>Disposal of fixed assets referred to in this Article include the transfer of some asset interests, but do not include guarantees provided by the pledge of fixed assets.</p> <p>The effectiveness of the Company’s transaction of disposing fixed assets shall not be affected by any breach of the foregoing provisions in Paragraph 1 of this Article.</p>	<p>Deleted.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 155 The Board shall establish strict review and decision-making procedures for the Company's external investment, purchase and disposal of assets, asset mortgage, external guarantee, entrusted wealth management and connected transactions. Specifically, the Board has the authority to examine and approve the following matters: (I) investments of a single amount below 30% and above 10% of the total asset value on the Company's consolidated accounting statements of the most recent financial year, including equity investments (excluding venture capital), operating investments, entrusted wealth management and entrusted loans; venture capital other than securities investment with an amount below RMB50 million. For investments with funds raised from the issuance of securities that require approval by the Shareholders' general meeting in accordance with the departmental rules of the CSRC and the normative documents of the Shenzhen Stock Exchange, approval from the Shareholders' general meeting shall be obtained; (II) asset collateral or pledge, the cumulative amount of which is less than 50% of the total asset value on the Company's consolidated accounting statements of the most recent financial year; (III) other external guarantees other than those required to be submitted to the Shareholders' general meeting for consideration and approval in accordance with Article 68 of the Articles of Association; (IV) debt financing matters (excluding bond issuance) with a single amount below 10% of the net asset value on the Company's consolidated statements of the most recent financial year, and the debt ratio to the Company's assets remains under 60% after such financing; (V) purchase and disposal of assets that are not required by laws, administrative regulations, relevant documents of the CSRC and the Rules Governing the Listing of Shares on Shenzhen Stock Exchange to be submitted to the Shareholders' general meeting for consideration and approval; (VI) fixed asset and long-term equity investments with losses of more than RMB80 million and a single amount below 10% of the net asset value on the Company's consolidated statements of the most recent financial year; (VII) related party transactions that are not required by the laws, administrative regulations, relevant documents of the CSRC and the Rules Governing the Listing of Shares on Shenzhen Stock Exchange to be submitted to the Shareholders' general meeting for consideration and approval; related party transactions between the Company and a related natural person</p>	<p>Article 126 The Board shall establish strict review and decision-making procedures for the Company's external investment, purchase and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, and connected transactions and donations. Specifically, the Board has the authority to examine and approve the following matters: (I) investments of a single amount below 30% and above 10% of the total asset value on the Company's consolidated accounting statements of the most recent financial year, including equity investments (excluding venture capital), operating investments, entrusted wealth management and entrusted loans; venture capital other than securities investment with an amount below RMB50 million. For investments with funds raised from the issuance of securities that require approval by the Shareholders' general meeting in accordance with the departmental rules of the CSRC and the normative documents of the Shenzhen Stock Exchange, approval from the Shareholders' general meeting shall be obtained; <u>the total asset of the transaction above 10% of the total assets value on the listed company's consolidated accounting statements of the most recent financial year, the total assets involved in the transaction have both book value and appraised value, whichever is higher;</u> (II) asset collateral or pledge, the cumulative amount of which is less than 50% of the total asset value on the Company's consolidated accounting statements of the most recent financial year <u>the net assets of the transaction target (such as equity) above 10% of the net assets value on the listed company's consolidated accounting statements of the most recent financial year, with an amount above RMB10 million, and the net assets involved in the transaction have both book value and appraised value, Whichever is higher;</u> (III) other external guarantees other than those required to be submitted to the Shareholders' general meeting for consideration and approval in accordance with Article 68 of the Articles of Association; <u>the operating income of the transaction target (such as equity) of the most recent financial year above 10% of the operating income on the listed company's consolidated accounting statements of the most recent financial year, with an amount above RMB10 million;</u> (IV) debt financing matters (excluding bond issuance) with a single amount below 10% of the net asset value on the Company's consolidated statements of the most recent financial year, and the debt ratio to the</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>involving an amount of more than RMB300,000 (inclusive), and related party transactions between the Company and a related legal person the amount of which exceeds RMB3 million (inclusive) or accounts for more than 0.5% (inclusive) of the latest audited absolute value of the net asset of the Company but is less than RMB30 million or 5% of the latest audited absolute value of the net asset of the Company.</p> <p>External guarantees that are required to be examined and approved by the Board must be approved by more than one half of all the directors of the Company and more than two thirds of all independent directors, and shall be passed by more than two thirds of the directors present at the Board meeting.</p>	<p>Company's assets remains under 60% after such financing; <u>the net profit related of the transaction target (such as equity) of the most recent financial year above 10% of the net profit on the listed company's consolidated accounting statements of the most recent financial year, with an amount above RMB1 million;</u> (V) purchase and disposal of assets that are not required by laws, administrative regulations, relevant documents of the CSRC and the Rules Governing the Listing of Shares on Shenzhen Stock Exchange to be submitted to the Shareholders' general meeting for consideration and approval; <u>The transaction amount (including liabilities and expenses) above 10% of the net assets on the listed company's consolidated accounting statements of the most recent financial year, with an amount above RMB10 million;</u> (VI) fixed asset and long-term equity investments with losses of more than RMB80 million and a single amount below 10% of the net asset value on the Company's consolidated statements of the most recent financial year; <u>the profit generated from the transaction above 10% of the net profit on the listed company's consolidated accounting statements of the most recent financial year, with an amount above RMB1 million. Where the calculation of the above indicators is negative, its absolute value will be used for calculation.</u> (VII) related party transactions that are not required by the laws, administrative regulations, relevant documents of the CSRC and the Rules Governing the Listing of Shares on Shenzhen Stock Exchange to be submitted to the Shareholders' general meeting for consideration and approval; related party transactions between the Company and a related natural person involving an amount of more than RMB300,000 (inclusive), and related party transactions between the Company and a related legal person the amount of which exceeds RMB3 million (inclusive) or accounts for more than 0.5% (inclusive) of the latest audited absolute value of the net asset of the Company but is less than RMB30 million or 5% of the latest audited absolute value of the net asset of the Company.</p> <p>External guarantees that are required to be examined and approved by the Board must be approved by more than one half of all the directors of the Company and more than two thirds of all independent directors, and shall be passed by more than two thirds of the directors present at the Board meeting.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 160 Interim Board meetings may be convened upon proposal by the shareholders representing at least one-tenth of the total voting rights, by at least one-third of the directors, by at least one-half of the independent directors, by the Supervisory Committee, or by the general manager. The chairman shall convene and chair a Board meeting within 10 days after receipt of the proposal.</p>	<p>Article 131 Interim Board meetings may be convened upon proposal by the shareholders representing at least one-tenth of the total voting rights, chairman, by at least one-third of the directors, by at least one-half of the independent directors, by the Supervisory Committee or by the general manager. The chairman shall convene and chair a Board meeting within 10 days after receipt of the proposal.</p>
<p>Chapter 6 General Manager and Other Senior Management</p>	<p>Chapter 6 General Manager and Other Senior Management</p>
<p>Article 172 Staff of the controlling shareholders of the Company who serve administrative positions other than as director or supervisor shall not serve as senior management of the Company.</p>	<p>Article 143 Staff of the controlling shareholders of the Company who serve administrative positions other than as director or supervisor shall not serve as senior management of the Company. <u>The Company's senior management only receive their salaries from the Company and are not paid by the controlling shareholder.</u></p>
<p>Article 174 The general manager shall be accountable to the Board and shall exercise the following powers:</p> <ul style="list-style-type: none"> (I) to be in charge of the Company's production, operation and management, to implement the resolutions of the Board, and report to the Board; (II) to organize the implementation of the Company's annual business plan and investment plan; (III) to formulate the Company's internal management structure; (IV) to draft the basic management scheme of the Company; (V) to formulate the Company's concrete by laws; (VI) to propose to the Board the appointment or dismissal of the Company's deputy general manager(s) and the chief financial officer; 	<p>Article 145 The general manager shall be accountable to the Board and shall exercise the following powers:</p> <ul style="list-style-type: none"> (I) to be in charge of the Company's production, operation and management, to implement the resolutions of the Board, and report to the Board; (II) to organize the implementation of the Company's annual business plan and investment plan; (III) to formulate the Company's internal management structure; (IV) to draft the basic management scheme of the Company; (V) to formulate the Company's concrete by laws; (VI) to propose to the Board the appointment or dismissal of the Company's deputy general manager(s) and the chief financial officer;

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>(VII) to determine the appointment or dismissal of responsible management except for those who should be appointed or dismissed by the Board;</p> <p>(VIII) to formulate the plans for the salary, benefits, rewards and punishments of the Company’s employees, and to determine the employment and dismissal of the Company’s employees; and</p> <p>(IX) to exercise other powers conferred by the Articles of Association or the Board.</p>	<p>(VII) to determine the appointment or dismissal of responsible management except for those who should be appointed or dismissed by the Board;</p> <p>(VIII) to formulate the plans for the salary, benefits, rewards and punishments of the Company’s employees, and to determine the employment and dismissal of the Company’s employees;</p> <p><u>(IX) to determine the hiring, promotion and demotion, salary increases and decreases, rewards, punishments and dismissal of company employees;</u></p> <p><u>(X) to approval of various expenses incurred in daily operation and management of the company;</u></p> <p><u>(XI) to decide on the disposal of company property and the purchase of fixed assets within the limit authorized by the board of directors;</u></p> <p><u>(XII) to approval of the company’s financial expenditures within the limits authorized by the board of directors. According to the decision of the board of directors, a joint signature system is implemented with the financial director for the dispatch of large amounts of money of the company;</u></p> <p><u>(XIII) to sign various contracts and agreements on behalf of the company as authorized by the board of directors;</u></p> <p><u>(XIV) to issue daily administrative and business documents; and</u></p> <p><u>(XV) to exercise other powers conferred by the Articles of Association or the Board.</u></p>
<p>The general manager may be present at a Board meeting. The general manager has no voting rights at the Board meetings unless he/she is also a director.</p>	<p>The general manager may be present at a Board meeting. The general manager has no voting rights at the Board meetings unless he/she is also a director.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 176 The working rules of the general manager shall specify: (I) the conditions, procedures and attendees for convening general manager’s meetings; (II) the respective duties and division of responsibilities among the general manager and other senior management; (III) use of funds and assets of the Company, limits of his/her authority to enter into important contracts, and the system to report to the Board and the Supervisory Committee; and (IV) other matters deemed necessary by the Board.</p>	<p>Article 147 The working rules of the general manager shall specify: (I) the conditions, procedures and attendees for convening general manager’s meetings; (II) the respective duties and division of responsibilities among the general manager and other senior management; (III) use of funds and assets of the Company, limits of his/her authority to enter into important contracts, and the system to report to the Board and the Supervisory Committee; and (IV) other matters deemed necessary by the Board.</p>
<p>Article 181 If any member of senior management violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties to the Company, thereby causing the Company to incur any loss, the said member shall be liable for compensation.</p> <p>If a member of senior management provides guarantee for others with the property of the Company without the approval of the Board or the Shareholders’ general meeting, the Company shall dismiss the said member from all his/her posts in the Company; and if the Company has suffered any loss arising therefrom, the said member shall be liable for compensation.</p>	<p>Article 152 If any member of senior management violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties to the Company, thereby causing the Company to incur any loss, the said member shall be liable for compensation.</p> <p>If a member of senior management provides guarantee for others with the property of the Company without the approval of the Board or the Shareholders’ general meeting, the Company shall dismiss the said member from all his/her posts in the Company; and if the Company has suffered any loss arising therefrom, the said member shall be liable for compensation.</p> <p><u>The Company’s senior management should faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management of the Company fail to faithfully perform their duties or violate their fiduciary obligations, thereby causing damage to the interests of the Company and the shareholders, they shall be liable for compensation in accordance with the law.</u></p>
Chapter 7 Supervisory Committee	Chapter 7 Supervisory Committee
Section 1 Supervisors	Section 1 Supervisors
<p>Article 186 The supervisors shall ensure the information disclosed by the Company is true, accurate and complete.</p>	<p>Article 157 The supervisors shall ensure the information disclosed by the Company is true, accurate and complete <u>and sign written confirmation on periodic reports.</u></p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Section 2 Supervisory Committee	Section 2 Supervisory Committee
<p>Article 191 The Supervisory Committee shall be accountable to the Shareholders' general meeting and shall exercise the following powers in accordance with the law: (I) to review the periodical reports of the Company prepared by the Board of Directors and to provide written comments thereon; (II) to monitor the financial situation of the Company; (III) to supervise the performance of the directors and senior management in performing their duties to the Company and propose the removal of those directors and senior management who violate the laws, administrative regulations, the Articles of Association or resolutions passed by the Shareholders' general meeting; (IV) to require any director or senior management who acts in a manner which is detrimental to the Company's interests to rectify such behavior; (V) to propose to convene extraordinary general meetings and to convene and chair Shareholders' general meeting when the Board fails to perform the duty of convening and chairing Shareholders' general meetings; (VI) to examine the financial information such as the financial reports, operating reports and profit distribution plans to be submitted by the Board to the Shareholders' general meetings and, should any irregularities be found, to engage, in the name of the Company, certified public accountants or certified auditors for a re-examination of the aforesaid information at the cost of the Company; (VII) to make proposals to the Shareholders' general meeting; (VIII) to bring actions against the directors and senior management according to Article 152 of the Company Law; (IX) to investigate the Company should any abnormal operation situation arise; to engage accounting firms, law firms and other professional institutions to assist in the investigation if necessary, and the fees shall be borne by the Company; and (X) to exercise other powers stipulated by the Articles of Association.</p>	<p>Article 162 The Supervisory Committee shall be accountable to the Shareholders' general meeting and shall exercise the following powers in accordance with the law: (I) to review the periodical reports of the Company prepared by the Board of Directors, and to provide written comments <u>thereon and express opinions on the internal control evaluation report</u>; (II) to monitor the financial situation of the Company, <u>to supervise the behavior of directors and senior management in the preparation process of financial accounting reports, and hire intermediaries to provide professional opinions when necessary</u>; (III) <u>supervisors discover that the Company or Directors, Supervisors, senior management, shareholders, actual controllers, etc. have committed fraud or malpractice related to financial accounting reports or other situations that may lead to material misstatements, they shall require the relevant parties to immediately correct or stop, and Report to the Board of Directors and the Supervisory Committee in a timely manner, request the Board of Directors and the Supervisory Committee for verification, and when necessary, report to the stock exchange where the company's shares are listed</u>; (IV) <u>Supervisory Committee discovers that Directors or senior management have violated laws, regulations, relevant provisions of the stock exchange where the Company's shares are listed, or the Company's articles of association, it shall notify the Board of Directors or report to the general meeting of shareholders and disclose it in a timely manner, or it may report directly to the regulatory agency</u>; (V) to supervise the performance of the directors and senior management in performing their duties to the Company and propose the removal of those directors and senior management who violate the laws, administrative regulations, the Articles of Association or resolutions passed by the Shareholders' general meeting; (VI) to require any director or senior management who acts in a manner which is detrimental to the Company's interests to rectify such behavior; (VII) to propose to convene extraordinary general meetings and to</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
	<p>convene and chair Shareholders' general meeting when the Board fails to perform the duty of convening and chairing Shareholders' general meetings under the Company Law; (VI) to examine the financial information such as the financial reports, operating reports and profit distribution plans to be submitted by the Board to the Shareholders' general meetings and, should any irregularities be found, to engage, in the name of the Company, certified public accountants or certified auditors for a re-examination of the aforesaid information at the cost of the Company; (VIII) to make proposals to the Shareholders' general meeting; (IX) to bring actions against the directors and senior management according to Article 152 of the Company Law; and (X) to exercise other powers stipulated by the Articles of Association. to investigate the Company should any abnormal operation situation arise; to engage accounting firms, law firms and other professional institutions to assist in the investigation if necessary, and the fees shall be borne by the Company.</p>
<p>Chapter 8 Qualifications and Obligations of Directors, Supervisors, General Manager and Other Senior Management</p>	<p>Deleted.</p>
<p>Chapter 9 Financial and Accounting Systems, Profit Distribution and Audit</p>	<p>Chapter 8 Financial and Accounting Systems, Profit Distribution and Audit</p>
<p>Section 1 Financial and Accounting Systems</p>	<p>Section 1 Financial and Accounting Systems</p>
<p>Article 214 The Company shall submit an annual financial report to the CSRC and the stock exchange within four months from the end of each financial year, submit an interim financial report to the CSRC offices and the stock exchange within two months from the end of the first six months of each financial year, and submit a quarterly financial report to the CSRC offices and the stock exchange within one month from the end of the first three months and nine months respectively of each financial year.</p> <p>The aforesaid financial reports shall be prepared in accordance with relevant laws, administrative regulations and departmental rules.</p>	<p>Article 167 The Company shall submit and publish an annual financial report to the CSRC and the stock exchange within four months from the end of each financial year, submit and publish an interim financial report to the CSRC offices and the stock exchange within two months from the end of the first half of each financial year and submit a quarterly financial report to the CSRC offices and the stock exchange within one month from the end of the first three months and nine months respectively of each financial year.</p> <p>The aforesaid financial annual and interim reports shall be prepared in accordance with relevant laws, administrative regulations, CSRC and the stock exchange departmental rules.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>The Company shall prepare its financial statements in accordance with the PRC accounting standards and regulations, as well as in accordance with international accounting standards or the accounting standards of the overseas locality where the Company's shares are listed. If there are any material differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. When distributing the after-tax profits of the relevant financial year, the Company shall take as final the smaller amount of after-tax profits out of the aforesaid two kinds of financial statements.</p> <p>The interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations, as well as the international accounting standards or the accounting standards of the overseas locality where the Company's shares are listed.</p>	<p>The Company shall prepare its financial statements in accordance with the PRC accounting standards and regulations, as well as in accordance with international accounting standards or the accounting standards of the overseas locality where the Company's shares are listed. If there are any material differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. When distributing the after-tax profits of the relevant financial year, the Company shall take as final the smaller amount of after-tax profits out of the aforesaid two kinds of financial statements.</p> <p>The interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations, as well as the international accounting standards or the accounting standards of the overseas locality where the Company's shares are listed.</p>
<p>Article 218 When distributing each year's after-tax profits, the Company shall withdraw 10% of the profits as the statutory reserve fund of the Company. Such withdrawal is no longer required when the statutory reserve fund of the Company has accumulated to at least 50% of the registered capital of the Company.</p> <p>When the Company's statutory reserve fund is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up for the said losses before any statutory reserve fund is withdrawn as per the preceding paragraph.</p> <p>After the statutory reserve fund is withdrawn from the after-tax profits, the discretionary reserve fund may also be withdrawn from the same as per a resolution made at a Shareholders' general meeting.</p>	<p>Article 171 When distributing each year's after-tax profits, the Company shall withdraw 10% of the profits as the statutory reserve fund of the Company. Such withdrawal is no longer required when the statutory reserve fund of the Company has accumulated to at least 50% of the registered capital of the Company.</p> <p>When the Company's statutory reserve fund is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up for the said losses before any statutory reserve fund is withdrawn as per the preceding paragraph.</p> <p>After the statutory reserve fund is withdrawn from the after-tax profits, the discretionary reserve fund may also be withdrawn from the same as per a resolution made at a Shareholders' general meeting.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>The after-tax profits remaining after makeup of losses and withdrawal of reserves funds shall be distributed by the Company to the shareholders in proportion to their shareholding.</p> <p>If the Shareholders' general meeting, in violation of the provision in the preceding paragraph, distributes profits to shareholders before recovering losses and withdrawing the statutory reserve fund, the profits thus distributed shall be returned to the Company.</p> <p>The Company shall not be entitled to any distribution of profits in respect of shares held by it.</p>	<p>The after-tax profits remaining after makeup of losses and withdrawal of reserves funds shall be distributed by the Company to the shareholders in proportion to their shareholding. <u>However, this Article of Association stipulates that there will be no distribution according to the shareholding ratio.</u></p> <p>If the Shareholders' general meeting, in violation of the provision in the preceding paragraph, distributes profits to shareholders before recovering losses and withdrawing the statutory reserve fund, the profits thus distributed shall be returned to the Company.</p> <p>The Company shall not be entitled to any distribution of profits in respect of shares held by it.</p>
<p>Article 220 The Company's profit distribution policy:</p> <p>(I) The Company's profit distribution policy</p> <p>The Company adopts a consistent and stable profit distribution policy, which shall emphasize reasonable investment returns to investors, take into account the Company's sustainable development and adhere to the following principles:</p> <ol style="list-style-type: none"> 1. Profits must be distributed in the statutory order; 2. No profits shall be distributed if there is any unrecovered loss; 3. The Company shall not be entitled to any distribution of profits in respect of shares held by it. <p>(II) Form of profit distribution</p> <p>The Company may distribute profits in the form of cash, shares, a combination of cash and shares and other forms as permitted by laws and regulations. If the conditions for distribution of cash dividends are met, the Company shall first distribute profits in cash dividends.</p>	<p>Article 173 The Company's profit distribution policy:</p> <p>(I) The Company's profit distribution policy</p> <p>The Company adopts a consistent and stable profit distribution policy, which shall emphasize reasonable investment returns to investors, take into account the Company's sustainable development and adhere to the following principles:</p> <ol style="list-style-type: none"> 1. Profits must be distributed in the statutory order; 2. No profits shall be distributed if there is any unrecovered loss; 3. The Company shall not be entitled to any distribution of profits in respect of shares held by it. <p>(II) Form of profit distribution</p> <p>The Company may distribute profits in the form of cash, shares, a combination of cash and shares and other forms as permitted by laws and regulations. If the conditions for distribution of cash dividends are met, the Company shall first distribute profits in cash dividends.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Cash dividends distributed by the Company shall be stated and announced in RMB. Cash dividends distributed by the Company to holders of domestic shares shall be paid in RMB; cash dividends distributed by the Company to holders of foreign shares shall be paid in foreign currencies.</p> <p>The sums in foreign currencies which the Company needs to pay to holders of foreign shares shall be obtained pursuant to relevant state regulations on foreign exchange. The exchange rate between a foreign currency and RMB shall be the official price of the said currency announced by the PBOC on the date of payment of the dividends.</p> <p>(III) Conditions for distribution in cash</p> <ol style="list-style-type: none"> 1. The Company's earnings per share of the current year is not less than RMB0.1; 2. The audit institution produces a standard unqualified audit report on the Company's financial reports of the current year; and 3. The Company does not have any material investment plans or major cash expenditures (excluding fundraising projects). <p>Material investment plans or major cash expenditures refer to circumstances under which the Company's accumulated expenditure for intended external investment, asset acquisition or equipment procurement in the following 12 months reaches or exceeds 30% of the latest audited net assets of the Company.</p>	<p>Cash dividends distributed by the Company shall be stated and announced in RMB. Cash dividends distributed by the Company to holders of domestic shares shall be paid in RMB; cash dividends distributed by the Company to holders of foreign shares shall be paid in foreign currencies.</p> <p>The sums in foreign currencies which the Company needs to pay to holders of foreign shares shall be obtained pursuant to relevant state regulations on foreign exchange. The exchange rate between a foreign currency and RMB shall be the official price of the said currency announced by the PBOC on the date of payment of the dividends.</p> <p>(III) Conditions for distribution in cash</p> <ol style="list-style-type: none"> 1. The Company's earnings per share of the current year is not less than RMB0.1; 2. The audit institution produces a standard unqualified audit report on the Company's financial reports of the current year; and 3. The Company does not have any material investment plans or major cash expenditures (excluding fundraising projects). <p>Material investment plans or major cash expenditures refer to circumstances under which the Company's accumulated expenditure for intended external investment, asset acquisition or equipment procurement in the following 12 months reaches or exceeds 30% of the latest audited net assets of the Company.</p>

<p align="center">Existing Terms of the Articles of Association</p>	<p align="center">Proposed Amendment to the Articles of Association</p>
<p>(IV) Proportion of distribution in cash</p> <ol style="list-style-type: none"> 1. The profits distributed in cash by the Company every year shall not be less than 10% of the distributable profits in the current year, and the profits cumulatively distributed in cash by the Company in any three consecutive years shall not be less than 30% of the annual average distributable profits realized in these three years; 2. The Company’s profit distribution shall neither exceed the range of the accumulated distributable profits nor harm the Company’s ability to operate sustainably; and 3. The Board shall formulate differentiated cash dividend policies in different development stages taking into account the Company’s industrial characteristics, development stages, business model, profitability, whether there are major capital expenditure arrangements and other factors: <ol style="list-style-type: none"> (1) If the Company is fully developed and has no major capital expenditure arrangements, cash dividends shall take up a minimum of 80% in the profit distribution; (2) If the Company is fully developed and has major capital expenditure arrangements, cash dividends shall take up a minimum of 40% in the profit distribution; (3) If the Company is in a growth stage and has major capital expenditure arrangements, cash dividends shall take up a minimum of 20% in the profit distribution; <p>If it is difficult to define the development stage of the Company, but the Company has major capital expenditure arrangements, the preceding provisions may still be followed.</p>	<p>(IV) Proportion of distribution in cash</p> <ol style="list-style-type: none"> 1. The profits distributed in cash by the Company every year shall not be less than 10% of the distributable profits in the current year, and the profits cumulatively distributed in cash by the Company in any three consecutive years shall not be less than 30% of the annual average distributable profits realized in these three years; 2. The Company’s profit distribution shall neither exceed the range of the accumulated distributable profits nor harm the Company’s ability to operate sustainably; and 3. The Board shall formulate differentiated cash dividend policies in different development stages taking into account the Company’s industrial characteristics, development stages, business model, profitability, whether there are major capital expenditure arrangements and other factors: <ol style="list-style-type: none"> (1) If the Company is fully developed and has no major capital expenditure arrangements, cash dividends shall take up a minimum of 80% in the profit distribution; (2) If the Company is fully developed and has major capital expenditure arrangements, cash dividends shall take up a minimum of 40% in the profit distribution; (3) If the Company is in a growth stage and has major capital expenditure arrangements, cash dividends shall take up a minimum of 20% in the profit distribution; <p>If it is difficult to define the development stage of the Company, but the Company has major capital expenditure arrangements, the preceding provisions may still be followed.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>(V) Period of profit distribution</p> <p>The Company distributes profits once every year in principle in compliance with the profit distribution policy to ensure the Company's normal operation and long-term development; the Board of the Company may propose and implement (upon consideration and approval by the Shareholders' general meeting) an interim profit distribution plan according to the Company's profitability and capital demand.</p>	<p>(V) Period of profit distribution</p> <p>The Company distributes profits once every year in principle in compliance with the profit distribution policy to ensure the Company's normal operation and long-term development; the Board of the Company may propose and implement (upon consideration and approval by the Shareholders' general meeting) an interim profit distribution plan according to the Company's profitability and capital demand.</p>
<p>(VI) Conditions for share dividend distribution</p> <p>The Company may propose and implement a share dividend distribution plan while proposing the cash dividend distribution plan when it meets the conditions for cash dividend distribution and the Board believes that the Company has a reasonable share capital size and shareholding structure.</p>	<p>(VI) Conditions for share dividend distribution</p> <p>The Company may propose and implement a share dividend distribution plan while proposing the cash dividend distribution plan when it meets the conditions for cash dividend distribution and the Board believes that the Company has a reasonable share capital size and shareholding structure.</p>
<p>(VII) Decision-making procedure and mechanism of profit distribution</p> <p>1. The Company's profit distribution plan shall be proposed and formulated by the Company's management and the Board based on the Company's profitability, capital demand and Shareholders' returns plan and considered at a Shareholders' general meeting after consideration and approval by the Board. Independent directors shall provide, announce and disclose their independent opinions in this regard. The cash dividend distribution plan shall be passed by votes representing more than one half of the voting rights represented by the shareholders or their proxies attending the Shareholders' general meeting; the share dividend distribution plan and the plan for distribution by integrating cash and shares shall be passed by votes representing more than two thirds of the voting rights represented by the shareholders or their proxies attending the Shareholders' general meeting;</p>	<p>(VII) Decision-making procedure and mechanism of profit distribution</p> <p>1. The Company's profit distribution plan shall be proposed and formulated by the Company's management and the Board based on the Company's profitability, capital demand and Shareholders' returns plan and considered at a Shareholders' general meeting after consideration and approval by the Board. Independent directors shall provide, announce and disclose their independent opinions in this regard. The cash dividend distribution plan shall be passed by votes representing more than one half of the voting rights represented by the shareholders or their proxies attending the Shareholders' general meeting; the share dividend distribution plan and the plan for distribution by integrating cash and shares shall be passed by votes representing more than two thirds of the voting rights represented by the shareholders or their proxies attending the Shareholders' general meeting;</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>2. In determining the specific profit distribution plan, the Board shall carefully study and discuss the timing, conditions, minimum ratio of cash dividends of the Company, the conditions for adjustment of the plan and the Company's decision-making procedure and other matters, and independent directors shall provide definite opinions in this regard. Independent directors may solicit opinions from the minority shareholders, put forward proposals for dividends and submit them directly to the Board for consideration. Dividend distribution plans shall be submitted to the Shareholders' general meeting for consideration after being considered and approved by the Board;</p> <p>3. When making relevant decisions and formulating a profit distribution plan, the Board shall record in detail the summaries of speeches of attending directors, opinions of independent directors, voting results of the Board and other contents, and shall produce written records properly kept as the Company's archives;</p>	<p>2. In determining the specific profit distribution plan, the Board shall carefully study and discuss the timing, conditions, minimum ratio of cash dividends of the Company, the conditions for adjustment of the plan and the Company's decision-making procedure and other matters, and independent directors shall provide definite opinions in this regard. Independent directors may solicit opinions from the minority shareholders, put forward proposals for dividends and submit them directly to the Board for consideration. <u>The Supervisors Committee supervises the Board of Directors' implementation of cash dividend policies and shareholder return plans, as well as whether they perform corresponding decision-making procedures and information disclosure. The Supervisors Committee finds that the Board of Directors fails to strictly implement the cash dividend policy and shareholder return plan, fails to strictly implement the corresponding decision-making procedures, or fails to disclose the corresponding information truthfully, accurately, and completely, it shall issue a clear opinion and urge it to make timely corrections.</u> Dividend distribution plans shall be submitted to the Shareholders' general meeting for consideration after being considered and approved by the Board;</p> <p>3. When making relevant decisions and formulating a profit distribution plan, the Board shall record in detail the summaries of speeches of attending directors, opinions of independent directors, voting results of the Board and other contents, and shall produce written records properly kept as the Company's archives;</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>4. Where an audit institution includes explanatory statements, expresses qualified opinion, refuses to give an opinion, or gives an adverse opinion on the financial reports of the Company in its audit report, the Board of the Company shall explain at the Shareholders' general meeting the relevant issues which led the audit institution to express the aforesaid comments and the effect on such on the financial and operating conditions of the Company. Where such issues have direct impact on the profit for the current period, the Board of the Company shall determine the profit distribution plan on the basis that whichever is lower is preferred;</p> <p>5. When the detailed cash dividend plan is considered by the Shareholders' general meeting, the Company shall actively communicate and exchange ideas with the shareholders, especially minority shareholders, by various means (including but not limited to providing online voting means and inviting minority shareholders to attend the meeting), take into full account the opinions and requests of minority shareholders and address their concerns in time.</p>	<p>4. Where an audit institution includes explanatory statements, expresses qualified opinion, refuses to give an opinion, or gives an adverse opinion on the financial reports of the Company in its audit report, the Board of the Company shall explain at the Shareholders' general meeting the relevant issues which led the audit institution to express the aforesaid comments and the effect on such on the financial and operating conditions of the Company. Where such issues have direct impact on the profit for the current period, the Board of the Company shall determine the profit distribution plan on the basis that whichever is lower is preferred;</p> <p>5. When the detailed cash dividend plan is considered by the Shareholders' general meeting, the Company shall actively communicate and exchange ideas with the shareholders, especially minority shareholders, by various means (including but not limited to providing online voting means and inviting minority shareholders to attend the meeting), take into full account the opinions and requests of minority shareholders and address their concerns in time.</p>
<p>(VIII) Disclosure of information on profit distribution</p> <p>1. The Company shall disclose the contents and implementation of its profit distribution plan and plan for conversion of capital reserve fund into share capital, and independent directors shall provide their independent opinions on the contents of the said plans;</p>	<p>(VIII) Disclosure of information on profit distribution</p> <p>1. The Company shall disclose the contents and implementation of its profit distribution plan and plan for conversion of capital reserve fund into share capital, and independent directors shall provide their independent opinions on the contents of the said plans;</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>2. Where the management and the Board do not propose or formulate any cash dividend distribution plan for the Company's profits of the current year, the Company shall disclose, in its summaries of regular reports, relevant reasons, including reasons for not distributing dividends, the use and plan of use of the funds not included in the dividend distribution and retained by the Company. Independent directors shall provide and disclose their independent opinions in this respect.</p>	<p>2. Where the management and the Board do not propose or formulate any cash dividend distribution plan for the Company's profits of the current year, the Company shall disclose, in its summaries of regular reports, relevant reasons, including reasons for not distributing dividends, the use and plan of use of the funds not included in the dividend distribution and retained by the Company. Independent directors shall provide and disclose their independent opinions in this respect.</p>
<p>(IX) Principle of adjustment in profit distribution policies</p> <p>Where a Company needs to adjust its profit distribution policies according to the production and operation conditions, investment planning, long-term development, or due to the substantial changes in the external operating environment and its own operating conditions, the adjusted profit distribution policies shall not contravene the relevant laws and regulations, regulatory documents and the provisions of the Articles of Association. Proposals on adjustment to the profit distribution policies, in relation to which independent directors and the Supervisory Committee shall provide written opinions. Such opinions shall be submitted to the Shareholders' general meeting for deliberation after deliberation by the Board of the Company, and shall be approved by more than two-thirds of the voting rights held by the shareholders attending the meeting.</p>	<p>(IX) Principle of adjustment in profit distribution policies</p> <p>Where a Company needs to adjust its profit distribution policies according to the production and operation conditions, investment planning, long-term development, or due to the substantial changes in the external operating environment and its own operating conditions, the adjusted profit distribution policies shall not contravene the relevant laws and regulations, regulatory documents and the provisions of the Articles of Association. Proposals on adjustment to the profit distribution policies, in relation to which independent directors and the Supervisory Committee shall provide written opinions. Such opinions shall be submitted to the Shareholders' general meeting for deliberation after deliberation by the Board of the Company, and shall be approved by more than two-thirds of the voting rights held by the shareholders attending the meeting.</p>
<p>(X) The Supervisory Committee shall supervise the implementation and decision-making procedures of the Company's profit distribution policies and Shareholders' return plans by the Board and the management of the Company, and shall issue special explanations and opinions on the implementation of the relevant policies and plans if any profits are made in a year but no profit distribution plan is proposed.</p>	<p>(X) The Supervisory Committee shall supervise the implementation and decision-making procedures of the Company's profit distribution policies and Shareholders' return plans by the Board and the management of the Company, and shall issue special explanations and opinions on the implementation of the relevant policies and plans if any profits are made in a year but no profit distribution plan is proposed.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
(XI) After the profit distribution plan is adopted at the Shareholders' general meeting, the Board shall complete the distribution of dividends (or shares) within 2 months after conclusion of the Shareholders' general meeting.	(XI) After the profit distribution plan is adopted at the Shareholders' general meeting, the Board shall complete the distribution of dividends (or shares) within 2 months after conclusion of the Shareholders' general meeting.
Section 3 Appointment of Accounting Firm	Section 3 Appointment of Accounting Firm
Article 226 The Company shall engage accounting firms "qualified for securities business" to audit its accounting statements, verify its net assets, and provide other relevant consulting services. The term of appointment shall be one year which commences on the date of conclusion of the current Shareholders' general meeting and ends on the date of conclusion of the subsequent Shareholders' general meeting. The term of office may be renewed.	Article 179 The Company shall engage accounting firms " qualified for securities business " comply with the Securities Law to audit its accounting statements, verify its net assets, and provide other relevant consulting services. The term of appointment shall be one year which commences on the date of conclusion of the current Shareholders' general meeting and ends on the date of conclusion of the subsequent Shareholders' general meeting. The term of office may be renewed.
Article 232 The remuneration of the accounting firm or the manner in which the firm is to be remunerated shall be determined by the Shareholders' general meeting. The remuneration of the accounting firm appointed by the Board shall be determined by the Board.	Article 185 The remuneration of the accounting firm or the manner in which the firm is to be remunerated shall be determined by the Shareholders' general meeting. The remuneration of the accounting firm appointed by the Board shall be determined by the Board.
Chapter 10 Notice and Announcement	Chapter 9 Notice and Announcement
Section 2 Announcement	Section 2 Announcement
<p data-bbox="204 1270 785 1676">Article 243 The Company shall designate at least one newspaper and one website to issue the Company's announcement and other information to the holders of domestic shares within the media designated by the laws, regulations and the securities regulatory authority of the State Council. If the announcement shall be made to holders of H shares in accordance with the Articles of Association, the relevant announcement shall also be published in accordance with the methods prescribed in the Hong Kong Listing Rules.</p> <p data-bbox="204 1727 785 1915">The information disclosed by the Company in other public media shall not precede the disclosure in the designated newspapers and websites, and the announcement of the Company shall not be replaced by press release or press conference, or other forms.</p>	<p data-bbox="817 1270 1390 1676">Article 196 The Company shall designate at least one newspaper and one website to issue the Company's announcement and other information to the holders of domestic shares within the media designated by the laws, regulations and the securities regulatory authority of the State Council Company. If the announcement shall be made to holders of H shares in accordance with the Articles of Association, the relevant announcement shall also be published in accordance with the methods prescribed in the Hong Kong Listing Rules.</p> <p data-bbox="817 1727 1390 1915">The information disclosed by the Company in other public media shall not precede the disclosure in the designated newspapers and websites, and the announcement of the Company shall not be replaced by press release or press conference, or other forms.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
The Board shall have the right to decide to adjust the designated media for information disclosure of the Company, but should ensure that the designated media for information disclosure meets the qualifications and conditions stipulated by the relevant laws and regulations in the PRC and in Hong Kong, as well as the securities regulatory authority of the State Council, the overseas regulatory authority and the stock exchanges where the Company's shares are listed.	The Board shall have the right to decide to adjust the designated media for information disclosure of the Company, but should ensure that the designated media for information disclosure meets the qualifications and conditions stipulated by the relevant laws and regulations in the PRC and in Hong Kong, as well as the securities regulatory authority of the State Council <u>CSRC</u> , the overseas regulatory authority and the stock exchanges where the Company's shares are listed.
Chapter 12 Amendments to the Articles of Association	Chapter 11 Amendments to the Articles of Association
Article 262 The Company shall not make any amendment to the provisions of paragraph 2 of Article 35 of the Articles of Association.	Deleted.
Article 267 Amendments of the Articles of Association which involve the contents of the Mandatory Provisions shall become effective upon receipt of approvals from the company approval authority authorized by the State Council and the securities regulatory authority of the State Council (if applicable); if the amendments involve registered particulars of the Company, registration of the change shall be carried out in accordance with the law.	Deleted.
Chapter 13 Settlement of Disputes	Deleted.

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
Chapter 14 Supplementary Provisions	Chapter 12 Supplementary Provisions
<p>Article 269 Definitions</p> <p>(I) Controlling shareholder: when acting alone or jointly with other parties, such a person can elect more than half of the Company’s directors; when acting alone or jointly with other parties, such a person holds more than 30% (inclusive) of the outstanding shares of the Company; when acting alone or jointly with other parties, such a person can exercise more than 30% (inclusive) of the voting rights of the Company, or control the exercise of more than 30% (inclusive) of the voting rights of the Company; when acting alone or jointly with other parties, such a person has de facto control of the Company. (II) De facto controller refers to a person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangements. (III) Connected relations refer to the relations between a controlling shareholder, de facto controller, director, supervisor or senior management of the Company and the enterprises directly or indirectly controlled by the same, and such other relationships which may give rise to a transfer of interests of the Company, provided however that there should be no connected relations between state-controlled enterprises solely because they are under the common control of the State. (IV) External guarantee refers to the guarantee provided by the Company for others, including the guarantee provided by the Company for its holdings subsidiaries. (V) Total external guarantee of the Company and its holdings subsidiaries refers to the sum of Company’s total external guarantee including the guarantee provided by the Company for its holdings subsidiaries plus the total external guarantee provided by the holdings subsidiaries of the Company.</p>	<p>Article 219 Definitions</p> <p>(I) Controlling shareholder: when acting alone or jointly with other parties, such a person holds <u>ordinary shares (including preferred shares with restored voting rights)</u> more than 30% 50% (inclusive) of the outstanding <u>total share capital</u> of the Company; when acting alone or jointly with other parties, such a person can exercise more than 30% (inclusive) of the voting rights of the Company, or control the exercise of more than 30% (inclusive) of the voting rights of the Company; when acting alone or jointly with other parties, such a person has de facto control of the Company <u>although the proportion of shares held is less than 50%, according to the proportion of shares held by it, Shareholders whose voting rights are sufficient to have a significant impact on the resolutions of the general meeting of shareholders;</u> (II) De facto controller refers to a person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangements. (III) Connected relations refer to the relations between a controlling shareholder, de facto controller, director, supervisor or senior management of the Company and the enterprises directly or indirectly controlled by the same, and such other relationships which may give rise to a transfer of interests of the Company, provided however that there should be no connected relations between state-controlled enterprises solely because they are under the common control of the State. (IV) External guarantee refers to the guarantee provided by the Company for others, including the guarantee provided by the Company for its holdings subsidiaries. (V) Total external guarantee of the Company and its holdings subsidiaries refers to the sum of Company’s total external guarantee including the guarantee provided by the Company for its holdings subsidiaries plus the total external guarantee provided by the holdings subsidiaries of the Company.</p>

Existing Terms of the Articles of Association	Proposed Amendment to the Articles of Association
<p>Article 273 The Articles of Association shall be subject to the interpretation of the Board of the Company and shall take effect after adoption at the Shareholders' general meeting and shall be effective from the date on which the overseas listed foreign shares (H shares) issued by the Company are listed on the Hong Kong Stock Exchange. The original articles of association shall become null and void on the date the Articles of Association enters into effect.</p>	<p>Article 223 The Articles of Association shall be subject to the interpretation of the Board of the Company and shall take effect after adoption at the Shareholders' general meeting and shall be effective from the date on which the overseas listed foreign shares (H shares) issued by the Company are listed on the Hong Kong Stock Exchange. The original articles of association shall become null and void on the date the Articles of Association enters into effect.</p>

Note: As a result of the foregoing amendments, the numbering of each clause of the amended Articles of Association will be rearranged and the numbering of other clauses in the document referred to in the clauses will be amended accordingly.

The Articles of Association are prepared in Chinese. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING



SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD. (深圳市海普瑞藥業集團股份有限公司)

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9989)

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 first extraordinary general meeting (the “EGM”) of Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (the “**Company**”) will be held at 2:00 p.m. on Friday, December 15, 2023 at Ballroom, 2/F, L’Hermitage Hotel, 3031 Nanhai Boulevard, Nanshan District, Shenzhen, the PRC for the purpose of considering, and if thought fit, passing the following resolutions. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as defined in the circular of the Company dated November 24, 2023.

SPECIAL RESOLUTION

1. To consider and approve the amendments to the articles of association and related rules and procedures of the Company;

ORDINARY RESOLUTION

2. To consider and approve the change in use of proceeds from the H share listing of the Company:
 - (a) RMB528.9 million (or approximately 61.36% of the unutilized Net Proceeds) is intended to be used for expansion of the sales and marketing network and infrastructure in the European Union and other global markets, such as the PRC; and for expansion of production scale and organization and increase in procurement and reserves of production resources;
 - (b) RMB203.0 million (or approximately 23.55% of the unutilized Net Proceeds) is intended to be used for expanding our development and manufacturing capacity and broadening our product and services offering of Cytovance;
 - (c) RMB80.0 million (or approximately 9.28% of the unutilized Net Proceeds) is intended to be used for investment in innovative drugs; and

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

- (d) RMB50.0 million (or approximately 5.80% of the unutilized Net Proceeds) is intended to be used as general working capital of the Company to support the expansion of production lines, the improvement of supply chain management and the payment of bank loans, or, subject to permission under the PRC laws and regulations, the balance to be placed with PRC financial institutions as short-term deposits before actual use of the Net Proceeds.

SPECIAL RESOLUTION

3. To consider and approve the proposed adjustment to the application for credit line and providing guarantee to certain banks.

By order of the Board
Shenzhen Hepalink Pharmaceutical Group Co., Ltd.
Li Li
Chairman

Shenzhen, the PRC
November 24, 2023

Notes:

1. For the purpose of holding the EGM, the H Share register of members of the Company will be closed from Tuesday, December 12, 2023 to Friday, December 15, 2023 (both days inclusive), during which period no transfer of H Shares can be registered. In order for H Share Shareholders to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, December 11 2023 for registration. The Shareholders whose names appear on the register of members of the Company on Friday, December 15, 2023 are entitled to attend and vote at the EGM.
2. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy needs not be a Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same on its behalf.
4. In order to be valid, the proxy form must be deposited, for H Share Shareholders, to the H Share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time for holding the EGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarized copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.
5. Shareholders shall produce their identification documents and supporting documents in respect of the Shares held when attending the EGM. If corporate Shareholders appoint authorised representative to attend the EGM, the authorized representative shall produce his/her identification documents and a notarized copy of the relevant authorization instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarized documents allowed by the Company. Proxies shall produce their identification documents and the proxy form signed by the Shareholders or their attorney when attending the EGM.
6. The EGM is expected to take for less than half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.
7. All voting at the EGM will be conducted by poll.

NOTICE OF THE H SHAREHOLDERS' CLASS MEETING



SHENZHEN HEPALINK PHARMACEUTICAL GROUP CO., LTD. (深圳市海普瑞藥業集團股份有限公司)

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9989)

NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN THAT the H shareholders' class meeting (the "H Shareholders' Class Meeting") of Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (the "Company") will be at 2:15 p.m. on Friday, December 15, 2023 at Ballroom, 2/F, L'Hermitage Hotel, 3031 Nanhai Boulevard, Nanshan District, Shenzhen, the PRC for the purpose of considering and, if thought fit, passing, the following resolution. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as defined in the circular of the Company dated November 24, 2023.

SPECIAL RESOLUTION

1. To consider and approve the amendments to the articles of association and related rules and procedures of the Company.

By order of the Board
Shenzhen Hepalink Pharmaceutical Group Co., Ltd.
Li Li
Chairman

Shenzhen, the PRC
November 24, 2023

Notes:

1. For the purpose of holding the H Shareholders' Class Meeting, the H Share register of members of the Company will be closed from Tuesday, December 12, 2023 to Friday, December 15, 2023 (both days inclusive), during which period no transfer of H Shares can be registered. In order for H Share Shareholders to be qualified to attend and vote at the H Shareholders' Class Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, December 11 2023 for registration. The Shareholders whose names appear on the register of members of the Company on Friday, December 15, 2023 are entitled to attend and vote at the H Shareholders' Class Meeting.
2. Shareholders who are entitled to attend and vote at the H Shareholders' Class Meeting may appoint one or more proxies to attend and vote on their behalves. A proxy needs not be a Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same on its behalf.

NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

4. In order to be valid, the proxy form must be deposited, for H Share Shareholders, to the H Share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time for holding the H Shareholders' Class Meeting. If the proxy form is signed by a person under a power of attorney or other authority, a notarized copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the H Shareholders' Class Meeting or any adjourned meetings should they so wish.
5. Shareholders shall produce their identification documents and supporting documents in respect of the Shares held when attending the H Shareholders' Class Meeting. If corporate Shareholders appoint authorised representative to attend the H Shareholders' Class Meeting, the authorized representative shall produce his/her identification documents and a notarized copy of the relevant authorization instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarized documents allowed by the Company. Proxies shall produce their identification documents and the proxy form signed by the Shareholders or their attorney when attending the H Shareholders' Class Meeting.
6. The H Shareholders' Class Meeting is expected to take for less than half a day. Shareholders attending the H Shareholders' Class Meeting shall be responsible for their own travel and accommodation expenses.
7. All voting at the H Shareholders' Class Meeting will be conducted by poll.