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

If you have sold or transferred all your shares in Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



Pharmaron Beijing Co., Ltd.

康龍化成(北京)新藥技術股份有限公司

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

(Stock Code: 3759)

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023;**
- (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023;**
- (3) FINANCIAL STATEMENTS FOR THE YEAR 2023;**
- (4) 2023 PROFIT DISTRIBUTION;**
- (5) 2023 ANNUAL REPORT'S FULL TEXT AND REPORT SUMMARY AND 2023 ANNUAL RESULTS ANNOUNCEMENT;**
- (6) REMUNERATION OF THE DIRECTORS FOR THE YEAR 2024;**
- (7) REMUNERATION OF THE SUPERVISORS FOR THE YEAR 2024;**
- (8) FOREIGN EXCHANGE HEDGING QUOTA FOR THE YEAR 2024;**
- (9) PROPOSED AMENDMENTS TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS WORKING POLICY;**
- (10) PROPOSED AMENDMENTS TO THE RELATED PARTY/CONNECTED TRANSACTIONS MANAGEMENT POLICY;**
- (11) PROPOSED AMENDMENTS TO THE EXTERNAL GUARANTEE MANAGEMENT POLICY;**
- (12) PROPOSED AMENDMENTS TO THE EXTERNAL INVESTMENT MANAGEMENT POLICY;**
- (13) PROPOSED AMENDMENTS TO THE SPECIAL STORAGE AND USE OF PROCEEDS MANAGEMENT POLICY;**
- (14) PROPOSED AMENDMENTS TO THE RULES FOR IMPLEMENTING THE CUMULATIVE VOTING MECHANISM;**
- (15) GUARANTEES QUOTA FOR THE YEAR 2024;**
- (16) PROPOSED GRANT OF GENERAL MANDATE TO ISSUE H SHARES;**
- (17) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES**
- (18) PROPOSED CONSECUTIVE INCREASES IN REGISTERED CAPITAL;**
- (19) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION BY VIRTUE OF THE CONSECUTIVE INCREASES IN REGISTERED CAPITAL;**
- (20) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE GENERAL MEETINGS;**
- (21) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE BOARD MEETINGS;**
- (22) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE SUPERVISORY COMMITTEE;**
- (23) NOTICES OF ANNUAL GENERAL MEETING AND FIRST H SHARE CLASS MEETING OF 2024**

A letter from the Board is set out on pages 5 to 18 of this circular. Notices convening the 2023 AGM on Thursday, June 6, 2024 at 1:30 p.m., and after the conclusion of the 2023 AGM and A Share Class Meeting, the H Share Class Meeting of the Company to be held at Paris Hall, 3/F, Pullman Beijing South, No. 12 Ronghua South Road, Beijing Economic and Technological Development Area, Daxing District, Beijing, the PRC are set out in this circular. This circular will be despatched by the Company on May 14, 2024 and published and be available for downloading on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and of the Company (www.pharmaron.com).

Reference to times and dates in this circular are to Hong Kong local times and dates.

May 14, 2024

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EXPECTED TIMETABLE

The expected timetable for the 2023 Profit Distribution, which are subject to Shareholders' approval at the 2023 AGM, the A Share Class Meeting and the H Share Class Meeting, as set forth below is indicative only and has been prepared on the assumption that all conditions of the 2023 Profit Distribution will be fulfilled. Any consequential changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Latest time for lodging transfer documents for
registration of transfer of H Shares to qualify
for attending and voting at the 2023 AGM and
the H Share Class Meeting 4:30 p.m. on Friday, May 31, 2024

Closure of register of members for transfer of
H Shares to qualify for attending and voting
at the 2023 AGM and the H Share Class Meeting Monday, June 3, 2024 to
Thursday, June 6, 2024
(both days inclusive)

Latest time for returning proxy form
or the 2023 AGM 1:30 p.m. on Wednesday, June 5, 2024

Latest time for returning proxy form
for the H Share Class Meeting 1:30 p.m. on Wednesday, June 5, 2024

2023 AGM 1:30 p.m. on Thursday, June 6, 2024

A Share Class Meeting After the conclusion of the 2023 AGM
on Thursday, June 6, 2024

H Share Class Meeting After the conclusion of the 2023 AGM
and A Share Class Meeting
on Thursday, June 6, 2024

Announcement of poll results of the 2023 AGM,
A Share Class Meeting and H Share Class Meeting Thursday, June 6, 2024

Resumption of registration of transfer of H Shares Friday, June 7, 2024

Last day of dealings in H Shares on a
cum-entitlement basis relating to the 2023
Profit Distribution Wednesday, June 26, 2024

First day of dealings in H Shares on an
ex-entitlement basis relating to the 2023
Profit Distribution Thursday, June 27, 2024

EXPECTED TIMETABLE

Latest time for lodging transfer documents for
registration of transfer of H Shares to qualify
H Shareholders for the 2023 Profit Distribution4:30 p.m. on Friday, June 28, 2024

Closure of register of members for transfer of
H Shares to qualify H Shareholders for the 2023
Profit DistributionTuesday, July 2, 2024 to
Monday, July 8, 2024
(both days inclusive)

Record Date for determining H Shareholders'
entitlement to the 2023
Profit DistributionMonday, July 8, 2024

Resumption of registration of transfer of H SharesTuesday, July 9, 2024

Expected delivery of payment cheques for the 2023
Profit DistributionFriday, July 26, 2024

Notes:

1. If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning:
 - (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon, the latest time for lodging transfer documents will remain at 4:30 p.m. on the same business day;
 - (b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m., the latest time for lodging transfer documents will be rescheduled to 4:30 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m.
2. The period of closure of register of members for transfer of H Shares to qualify H Shareholders for the 2023 Profit Distribution is pursuant to the relevant provisions in the Articles of Association.
3. All times and dates in this circular are Hong Kong times and dates.

DEFINITIONS

In this circular, the following expression shall have the meanings set out below unless the context requires otherwise:

“2021 A Share Incentive Scheme”	the 2021 Restricted A Share Incentive Scheme of the Company
“2022 A Share Incentive Scheme”	the 2022 Restricted A Share Incentive Scheme of the Company
“2022 AGM”	the 2022 annual general meeting of the Company held on June 21, 2023
“2023 AGM”	the 2023 annual general meeting of the Company to be held on Thursday, June 6, 2024 or any adjournment thereof
“2023 Profit Distribution”	the proposed distribution of Dividends
“A Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each which are listed on the Shenzhen Stock Exchange
“A Share Class Meeting”	the 2024 first class meeting of A Shareholders to be held on Thursday, June 6, 2024
“A Shareholder(s)”	holder(s) of A Shares
“Article of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board” or “Board of Directors”	the board of Directors
“Capitalization of Reserve”	the issue of 5 Capitalization Shares for every 10 Shares by way of capitalization of reserve which was approved by the Shareholders at the 2022 AGM and the Class Meetings
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class Meetings”	the A Share Class Meeting and the H Share Class Meeting

DEFINITIONS

“Company” or “Pharmaron”	Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司), a joint stock company incorporated in the PRC with limited liability, the A Shares of which are listed on the Shenzhen Stock Exchange (stock code: 300759) and the H Shares of which are listed on the Hong Kong Stock Exchange (stock code: 3759)
“Convertible Bonds”	Series 1 Bonds and Series 2 Bonds
“CSDC”	China Securities Depository and Clearing Co., Ltd.
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Dividends”	proposed distribution of 2023 final dividends to the Shareholders whose names appear on the register of members for the A Shareholders and the H Shareholders at the close of business on the Record Date, based on a rule of receiving RMB0.20 per Share held by the Shareholders payable in RMB to the A Shareholders and in HK\$ to the H Shareholders
“EIT Law”	Enterprise Income Tax Law of the People’s Republic of China (中華人民共和國企業所得稅法), as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange
“H Share Class Meeting”	the 2024 first class meeting of H Shareholders to be held after the conclusion of the 2023 AGM and A Share Class Meeting on Thursday, June 6, 2024, the notice of which is set out on pages 300 to 302 of this circular
“H Share Registrar”	Tricor Investor Services Limited, the H Share Registrar of the Company
“H Shareholder(s)”	holder(s) of H Share(s)

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)”	the independent non-executive Directors of the Company
“Latest Practicable Date”	May 8, 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC”	the People’s Republic of China but excluding, for the purposes of this circular only, Hong Kong, Macau and Taiwan
“PRC Company Law”	the Company Law of the People’s Republic of China, as the same may be amended, supplemented or otherwise modified from time to time
“PRC Securities Law”	the Securities Law of the PRC
“Record Date”	Monday, July 8, 2024, being the record date for ascertaining the entitlement to dividend on Shares
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	the holder(s) of the Share(s)
“Shenzhen Listing Rules”	the listing rules of the Shenzhen Stock Exchange
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange

DEFINITIONS

“Supervisor(s)”	Supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“USD”	United State Dollar, the lawful currency of the United States
“%”	per cent

LETTER FROM THE BOARD



Pharmaron Beijing Co., Ltd.

康龍化成(北京)新藥技術股份有限公司

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

(Stock Code: 3759)

Executive Directors:

Dr. Lou Boliang (*Chairman*)

Mr. Lou Xiaoqiang

Ms. Zheng Bei

Non-executive Directors:

Mr. Hu Baifeng

Mr. Li Jiaqing

Independent Non-executive Directors:

Ms. Li Lihua

Mr. Zhou Qilin

Mr. Tsang Kwan Hung Benson

Mr. Yu Jian

*Registered office, Headquarters and
principal place of business in the PRC:*

8th Floor, Block 1

6 Tai-He Road

Beijing Economic Technological

Development Area

Beijing

China

Place of business in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

LETTER FROM THE BOARD

May 14, 2024

To the Shareholders

Dear Sir or Madam,

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023;**
 - (2) WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023;**
 - (3) FINANCIAL STATEMENTS FOR THE YEAR 2023;**
 - (4) 2023 PROFIT DISTRIBUTION;**
 - (5) 2023 ANNUAL REPORT'S FULL TEXT AND REPORT SUMMARY
AND 2023 ANNUAL RESULTS ANNOUNCEMENT;**
 - (6) REMUNERATION OF THE DIRECTORS FOR THE YEAR 2024;**
 - (7) REMUNERATION OF THE SUPERVISORS FOR THE YEAR 2024;**
 - (8) FOREIGN EXCHANGE HEDGING QUOTA FOR THE YEAR 2024;**
 - (9) PROPOSED AMENDMENTS TO THE INDEPENDENT
NON-EXECUTIVE DIRECTORS WORKING POLICY;**
 - (10) PROPOSED AMENDMENTS TO THE RELATED PARTY/CONNECTED
TRANSACTIONS MANAGEMENT POLICY;**
 - (11) PROPOSED AMENDMENTS TO THE EXTERNAL
GUARANTEE MANAGEMENT POLICY;**
 - (12) PROPOSED AMENDMENTS TO THE EXTERNAL
INVESTMENT MANAGEMENT POLICY;**
 - (13) PROPOSED AMENDMENTS TO THE SPECIAL STORAGE
AND USE OF PROCEEDS MANAGEMENT POLICY;**
 - (14) PROPOSED AMENDMENTS TO THE RULES FOR IMPLEMENTING
THE CUMULATIVE VOTING MECHANISM;**
 - (15) GUARANTEES QUOTA FOR THE YEAR 2024;**
 - (16) PROPOSED GRANT OF GENERAL MANDATE TO ISSUE H SHARES;**
 - (17) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES;**
 - (18) PROPOSED CONSECUTIVE INCREASES IN REGISTERED CAPITAL;**
 - (19) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION BY
VIRTUE OF THE CONSECUTIVE INCREASES IN REGISTERED CAPITAL;**
 - (20) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
FOR THE GENERAL MEETINGS;**
 - (21) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
FOR THE BOARD MEETINGS;**
 - (22) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
FOR THE SUPERVISORY COMMITTEE;**
- AND**
- (23) NOTICES OF ANNUAL GENERAL MEETING
AND FIRST H SHARE CLASS MEETING OF 2024**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the 2023 AGM to be held on Thursday, June 6, 2024 at 1:30 p.m. to enable to make an informed decision on whether to vote for or against the proposed resolutions at the 2023 AGM. For the details of the proposed resolutions at the 2023 AGM, please also refer to the notice of the 2023 AGM enclosed with this circular.

2. WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the work report of the Board of Directors for the year 2023, the text of which is set out in Appendix I to this circular.

3. WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the work report of the Supervisory Committee for the year 2023, the text of which is set out in Appendix II to this circular.

4. FINANCIAL STATEMENTS FOR THE YEAR 2023

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the Group's audited financial statements for the year 2023 (the "**Financial Statements 2023**"), the text of which is set out in the 2023 annual report which is published on the websites of the Company, the Hong Kong Stock Exchange and the Shenzhen Stock Exchange.

5. 2023 PROFIT DISTRIBUTION

An ordinary resolution will be proposed at the 2023 AGM, the A Share Class Meeting and the H Share Class Meeting to consider and approve the 2023 Profit Distribution.

Reference is made to the annual results announcement of the Company dated March 27, 2024 that the payment of the Dividends for the year ended December 31, 2023 of RMB0.20 per Share (inclusive of tax), totaling approximately RMB357.5 million would be proposed. The aforesaid proposal is subject to the conditions set out in this circular.

The Company proposes to declare the Dividends of RMB0.20 per Share (inclusive of tax) to A Shareholders and H Shareholders whose names appear on the register of members of the Company on the Record Date in cash (subject to the Shareholders' approval at the 2023 AGM), which amount to the actual distributable cash profit of RMB357.5 million (inclusive of tax). The exchange rate to be used to convert the Dividends for H Shareholders from RMB to HK\$ will be the average of the medium rate of RMB to HK\$ announced by the People's Bank of China for five business days prior to June 6, 2024, the date on which the 2023 Profit Distribution is to be declared at the 2023 AGM and the Class Meetings. For illustration purpose, the exchange rate as at the Latest Practicable Date is HK\$1 to RMB0.90788. If there is any corporate actions resulting in changes in the amount of registered share capital of the Company (such as issuance of new Shares, repurchase of Shares, etc.) during the period from the Company's results announcement for the year ended December 31, 2023 dated Wednesday,

LETTER FROM THE BOARD

March 27, 2024 to the Record Date, the amount of Dividends, i.e., RMB0.20 per Share, shall remain unchanged and the total payable amount shall be adjusted according to the number of A Shareholders and H Shareholders appearing on the register of members of the Company on the Record Date.

The Dividends are denominated and declared in RMB and payable in RMB to A Shareholders and HK\$ to H Shareholders. The actual amount declared in HK\$ is converted based on the average benchmark exchange rate of Renminbi against HK dollars as promulgated by the People's Bank of China for the five business days preceding the date on which the 2023 Profit Distribution is to be declared at the 2023 AGM and the Class Meetings. Subject to the approval of 2023 Profit Distribution, the Dividends will be distributed within two months after the date of the 2023 AGM.

The formulation and implementation of the cash dividend policy by the Company are in compliance with the stipulation of the Articles of Association and the requirements stated in the resolutions approved by the general meeting of the Company. The basis and proportion of profit distribution are clearly specified. Effective determination and approval procedures and mechanisms are in place. Legitimate rights and interests of minority Shareholders are well protected since they are entitled to attend general meetings to exercise their voting rights and make proposals or enquiries on the operations of the Company.

Subject to the approval of the ordinary resolutions at the 2023 AGM in connection with the 2023 Profit Distribution, the Board shall be authorized by the Shareholders to further authorize the chairman of the Board, and/or his authorized persons, to individually or jointly handle matters relating to the 2023 Profit Distribution.

Tax Arrangements in respect of the 2023 Profit Distribution

In accordance with the Regulation on the Implementation of the EIT Law (《中華人民共和國企業所得稅法實施條例》) which came into effect on January 1, 2008 and last amend on April 23, 2019 and the EIT Law (《中華人民共和國企業所得稅法》) which was last amended and came into effect on December 29, 2018, and the “Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on November 6, 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10%, when the Company distributes annual dividend to non-resident enterprise Shareholders whose names appear on the H Shares register of members. As such, any H Shares registered in the name of non-individual Shareholder, including shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

LETTER FROM THE BOARD

If any resident enterprise (as defined in the EIT Law) listed on the Company's register of members for H Shares which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, does not wish to have the Company withhold and pay the said 10% enterprise income tax, it shall timely lodge with Tricor Investor Services Limited, the legal advices (affixed with the seal of the law firm) and relevant documents from a PRC certified lawyer confirming that the enterprise is a resident enterprise.

In accordance with the "Notice on Certain Issues Concerning the Policies of Individual Income Tax" (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on May 13, 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Therefore, the Company will not be required to withhold and pay any individual income tax on behalf of overseas individual Shareholders when the Company distributes the dividend to overseas individual Shareholders whose names appear on the H Share register of members.

Profit Distribution to Investors of Shenzhen-Hong Kong Stock Connect

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares through Shenzhen-Hong Kong Stock Connect, their dividends will be distributed in RMB by the Company through the Shenzhen Branch of CSDC to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Shenzhen-Hong Kong Stock Connect who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

The record date and other arrangements for the investors of Shenzhen-Hong Kong Stock Connect will be the same as those for the A Shareholders.

Profit Distribution to Investors of Southbound Trading

For investors of the Shanghai Stock Exchange and Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares (the "**Southbound Trading**"), the cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. The record date and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company.

LETTER FROM THE BOARD

Shanghai-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》), for dividends received by domestic individual investors from investing in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Shenzhen-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Closure of Register of Members

In order to determine the list of H Shareholders who are entitled to the 2023 Profit Distribution, the Company's register of H Shareholders will be closed from Tuesday, July 2, 2024 to Monday, July 8, 2024, both days inclusive, during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the Company's register of H Shareholders on Monday, July 8, 2024 are entitled to receive the 2023 Profit Distribution. In order to receive the 2023 Profit Distribution, H Shareholders whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share Registrar, Tricor Investor Services Limited, at or before 4:30 p.m. on Friday, June 28, 2024 at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

LETTER FROM THE BOARD

Warning of Risks of Dealing in the H Shares

H Shareholders should note that the existing H Shares are expected to be dealt in on an ex-entitlement basis for entitlement to the 2023 Profit Distribution from Thursday, June 27, 2024. If in doubt, investors are recommended to consult their professional advisers.

Reasons for the 2023 Profit Distribution

Based on the positive expectations on the future development of the Company, and with reference to the operating results and the overall financial status of the Company, the Board proposed the 2023 Profit Distribution so as to share the fruitful result of the Company's business performance with the Shareholders.

Further Issue of Securities

The Company does not anticipate there is any public or private issue or placing of securities of the Company other than (i) any H Shares which may be allotted and issued pursuant to the conversion of the Convertible Bonds; and (ii) any A Shares which may be allotted and issued pursuant to any employee share incentive scheme of the Company.

6. 2023 ANNUAL REPORT'S FULL TEXT AND REPORT SUMMARY AND 2023 ANNUAL RESULTS ANNOUNCEMENT

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the 2023 annual report's full text and report summary and 2023 annual results announcement which are published on the websites of the Company, the Hong Kong Stock Exchange and the Shenzhen Stock Exchange.

7. REMUNERATION OF THE DIRECTORS FOR THE YEAR 2024

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the remuneration plan for the Directors for the year ending December 31, 2024 formulated in accordance with the Company's internal policies and relevant regulatory requirements.

Our Executive Directors and Non- Executive Directors shall not receive any Directors' fees for their role as Directors. Four of our Independent Non- Executive Directors, being Mr. Tsang Kwan Hung Benson, Mr. Yu Jian, Mr. Zhou Qilin and Ms. Li Lihua, are entitled to an annual remuneration of RMB300,000 (before tax), payable monthly. The Company shall reimburse the Directors all necessary and actual expenses in relation to the participation of Board meetings, the Board committee meetings, the meetings of the Supervisors and the general meetings of shareholders.

LETTER FROM THE BOARD

8. REMUNERATION OF THE SUPERVISORS FOR THE YEAR 2024

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the remuneration plan for the Supervisors for the year ending December 31, 2024 formulated in accordance with the Company's internal policies and relevant regulatory requirements, details of which are as follows:

The Supervisors shall receive the corresponding remuneration in their capacities as their respective roles in the Company. Their remuneration for the year ending December 31, 2024 consists of basic annual salary plus performance bonus, and such basic remuneration is determined with reference to similar remuneration standards in the market, taking into account factors such as roles and responsibilities, ability and working location. The salary shall be paid on a monthly basis, and the performance bonus shall be determined based on the results of individual performance appraisal and the operation of the Company. The Supervisors shall not receive any remuneration for their roles as Supervisors. The Company shall reimburse the Supervisors all necessary and actual expenses in relation to the participation of Board meetings, the Board committee meetings, the meetings of the Supervisors and the general meetings of shareholders.

9. FOREIGN EXCHANGE HEDGING QUOTA FOR THE YEAR 2024

An ordinary resolution will be proposed at the 2023 AGM to consider and approve the granting of quota on the engaging in foreign exchange hedging in 2024, details of which are set out in Appendix IV to this circular.

10. PROPOSED AMENDMENTS TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS WORKING POLICY

The Board proposed to amend the Independent Non-executive Directors Working Policy of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Independent Non-executive Directors Working Policy, the full text of which is set out in Appendix XIII to this circular.

11. PROPOSED AMENDMENTS TO THE RELATED PARTY/CONNECTED TRANSACTIONS MANAGEMENT POLICY

The Board proposed to amend the Related Party/Connected Transactions Management Policy of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Related Party/Connected Transactions Management Policy, the full text of which is set out in Appendix XIV to this circular.

LETTER FROM THE BOARD

12. PROPOSED AMENDMENTS TO THE EXTERNAL GUARANTEE MANAGEMENT POLICY

The Board proposed to amend the External Guarantee Management Policy of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the External Guarantee Management Policy, the full text of which is set out in Appendix XV to this circular.

13. PROPOSED AMENDMENTS TO THE EXTERNAL INVESTMENT MANAGEMENT POLICY

The Board proposed to amend the External Investment Management Policy of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the External Investment Management Policy, the full text of which is set out in Appendix XVI to this circular.

14. PROPOSED AMENDMENTS TO THE SPECIAL STORAGE AND USE OF PROCEEDS MANAGEMENT POLICY

The Board proposed to amend the Special Storage and Use of Proceeds Management Policy of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Special Storage and Use of Proceeds Management Policy, the full text of which is set out in Appendix XVII to this circular.

15. PROPOSED AMENDMENTS TO THE RULES FOR IMPLEMENTING THE CUMULATIVE VOTING MECHANISM

The Board proposed to amend the Rules for Implementing the Cumulative Voting Mechanism of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. An ordinary resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Rules for Implementing the Cumulative Voting Mechanism, the full text of which is set out in Appendix XVIII to this circular.

16. GUARANTEES QUOTA FOR THE YEAR 2024

A special resolution will be proposed at the 2023 AGM to consider and approve the granting of quota of the provision of guarantees to subsidiaries of the Company in 2024, details of which are set out in Appendix III to this circular.

LETTER FROM THE BOARD

17. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE H SHARES

In order to give the Company the flexibility to issue H Shares if and when appropriate, a special resolution will be proposed at the 2023 AGM to approve the grant of the General Mandate to the Directors to be allotted and issued H shares will not exceed 3.37% of the total share capital of the Company when the resolution is considered and approved by the Shareholder (the “**General Mandate**”).

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the General Mandate.

Further details of the special resolution to be passed with respect to the grant of General Mandate to issue H Shares are set out in Appendix V to this circular.

18. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES

In order to give the Company the flexibility to repurchase H Shares if and when appropriate, a special resolution will be proposed at the 2023 AGM, the H Share Class Meeting and the A Share Class Meeting to approve the grant of the General Mandate to the Directors to repurchase and deal with up to 5% of the number of the Company’s H shares in issue (excluding any treasury H shares) at the time of the 2023 AGM (the “**Repurchase Mandate**”).

The Directors wish to state that they have no immediate plan to repurchase any H Shares pursuant to the Repurchase Mandate.

Further details of the special resolution to be passed with respect to the grant of the Repurchase Mandate are set out in Appendix VI to this circular. An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix VII to this circular.

19. PROPOSED CONSECUTIVE INCREASES IN REGISTERED CAPITAL

Reference is made to the announcement of the Company dated March 27, 2024, in relation to, among others, the proposed consecutive increases in registered capital and amendments to the Articles of Association.

By reason of (i) the capitalization of reserve which formed part of the profit distribution plan of the Company for the year ended December 31, 2022; and (ii) the completion of registration and circulation of the restricted A shares vested under the second vesting period of the 2021 A Share Incentive Scheme and the first vesting period of the 2022 A Share Incentive Scheme, the registered capital and the total number of shares of the Company shall be changed accordingly.

LETTER FROM THE BOARD

It is proposed that the total number of shares of the Company has increased from 1,191,154,804 shares to 1,786,732,206 shares, and consecutively to 1,787,394,297 shares and the registered capital has increased from RMB1,191,154,804 to RMB1,786,732,206, and consecutively to RMB1,787,394,297. As a result of the consecutive changes of the registered capital of the Company above, the Board proposed to change the registered capital of the Company from RMB1,191,154,804 (divided into 1,191,154,804 shares) to RMB1,786,732,206 (divided into 1,786,732,206 shares) (the “**First Increase in Registered Capital**”), and consecutively to RMB1,787,394,297 (divided into 1,787,394,297 shares) (the “**Second Increase in Registered Capital**”).

The proposed consecutive increases in the registered capital of the Company are subject to approval of special resolutions by the Shareholders at the 2023 AGM of the Company.

20. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION BY VIRTUE OF THE PROPOSED CONSECUTIVE INCREASES IN REGISTERED CAPITAL

Reference is made to the announcement of the Company dated March 27, 2024, in relation to, among others, the proposed amendments to the Articles of Association.

By virtue of the consecutive increases in the registered capital of the Company, and in order to (i) conform to the latest applicable laws and regulations of the People’s Republic of China as mentioned above; and (ii) incorporate certain housekeeping amendments, the Board resolved and approved, among others, the following proposed amendments to the Articles of Association:

The Board had resolved and approved to increase the registered capital from RMB1,191,154,804 to RMB1,786,732,206 by reason of the capitalization of reserve which formed part of the profit distribution plan of the Company for the year ended December 31, 2022 (the “**First Increase in Registered Capital**”).

The Board had further resolved and approved to increase the registered capital RMB1,786,732,206 to RMB1,787,394,297 by reason of the completion of registration and circulation of the restricted A shares vested under (i) the second vesting period of the 2021 A Share Incentive Scheme; and (ii) the first vesting period of the 2022 A Share Incentive Scheme (the “**Second Increase in Registered Capital**”).

By virtue of the aforementioned increases in the registered capital and proposed further increase in the registered capital, the relevant Articles of Association will be amended consecutively by two separate special resolutions at the 2023 AGM, details of which are set out in Appendices VIII and IX to this circular.

For details of other proposed amendments to the Articles of Association, please refer to the Company’s announcement dated March 27, 2024. The proposed amendments to the Articles of Association are prepared in Chinese language. In the event of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

LETTER FROM THE BOARD

21. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE GENERAL MEETINGS

Pursuant to the relevant laws and regulations, and in light of the proposed amendments to the Articles of Association, the Board proposed to amend the Rules of Procedure for the General Meetings of the Company. A special resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Rules of Procedure for the General Meetings, the full text of the which is set out in Appendix X to this circular.

22. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE BOARD MEETINGS

Pursuant to the relevant laws and regulations, and in light of the proposed amendments to the Articles of Association, the Board proposed to amend the Rules of Procedure for the General Meetings of the Company. A special resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Rules of Procedure for the Board Meetings, the full text of the which is set out in Appendix XI to this circular.

23. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR THE SUPERVISORY COMMITTEE

The Board proposed to amend the Rules of Procedure for the Supervisory Committee of the Company in accordance with the Articles of Association and the latest requirements under the relevant laws, administrative regulations, regulatory documents such as the Shenzhen Listing Rules. A special resolution is being proposed at the 2023 AGM to consider and approve the proposed amendments to the Rules of Procedure for the Supervisory Committee, the full text of which is set out in Appendix XII to this circular.

24. THE 2023 AGM AND THE CLASS MEETINGS

Notices convening the 2023 AGM and the H Share Class Meeting of the Company to be held on Thursday, June 6, 2024 at 1:30 p.m. are enclosed.

For the purpose of determining the H Shareholders entitled to attend and vote at the 2023 AGM and the H Share Class Meeting, the register of members of the H Shares has been scheduled to close from Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which no transfer of H Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Monday, June 3, 2024 shall be entitled to attend and vote at the 2023 AGM and the H Share Class Meeting. In order to be eligible to attend and vote at the 2023 AGM and the H Share Class Meeting, holders of H Shares whose transfer documents have not been registered are required to deposit all properly completed share transfer forms 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 (for holders of H shares) for registration no later than 4:30 p.m. on Friday, May 31, 2024.

LETTER FROM THE BOARD

The Company is in the process of nominating possible domestic and international auditors to carry out such audit work in 2024 with reference to applicable rules and regulations including The Administrative Measures for the Appointment of Accounting Firms by State-owned Enterprises and Listed Companies 《國有金融企業、上市公司選聘會計師事務所管理辦法》 as promulgated by the Ministry of Finance of the PRC, the State-owned Assets Supervision and Administration Commission of the State Council of the PRC and the China Securities Regulatory Commission. The Company will make further announcement upon the audit committee's nomination of the auditors, and will despatch a circular containing, among others, details of such proposed appointment and the extraordinary general meeting resolving such proposed appointment in due course.

25. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the H Shareholders entitled to attend and vote at the 2023 AGM, the register of members of the H Shares of the Company will be closed Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which no transfer of H Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Monday, June 3, 2024 shall be entitled to attend and vote at the 2023 AGM.

26. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, apart from certain exceptions, any vote of Shareholders at a general meeting must be taken by poll.

On a poll, every Shareholder present in person or by proxy (or being a corporation by its duly authorized representative) shall have one vote for each Share registered in his/her name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she has in the same manner.

An announcement on the poll results will be published by the Company after the 2023 AGM and the H Share Class Meeting in the manner prescribed under the Listing Rules.

27. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that all resolutions set out in the Notice of 2023 AGM and the Notices of the Class Meetings are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favour of the resolutions set out in the Notice of 2023 AGM and the Notices of the Class Meetings.

LETTER FROM THE BOARD

28. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully
For and on behalf of the Board
Dr. Lou Boliang
Chairman

WORK REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023

To the shareholders of Pharmaron Beijing Co., Ltd.:

In 2023, the Board of the Company strictly complied with laws and regulations such as the Company Law, the Securities Law, the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as well as the provisions of the Articles of Association and the Rules of Procedure for the Board of Directors, and conscientiously implemented the resolutions passed by the general meeting of shareholders. Actively promote the implementation of the resolutions of the Board of Directors, constantly standardize the corporate governance, all Directors conscientiously perform their duties, diligently and responsibly, and ensure the Company sustainable, healthy and stable development. The main work of the Board of Directors in 2023 is as follows:

I. BUSINESS OPERATION OF THE COMPANY IN 2023

2023 was a challenging year with dramatic fluctuation in global investments and the financial market, and the biopharmaceutical industry entered a major restructuring phase. However, the Company firmly believes that the pursuit of health and longevity is eternal, and the long term industry fundamentals for pharmaceutical R&D remain intact. Despite these pressure and challenges, the Company continued to focus on its long-term growth strategies, with its execution meeting the needs of the dynamic environment, and achieved steady growth in revenue and profit. During the Reporting Period, the Company realized revenue of RMB11,538.0 million, with a year-on-year growth of 12.4%, and continued to gain market share; gross margin was 35.5%, with a decrease of 1.0 percentage points over last year; the Company obtained the profit attributable to the owners of the parent of RMB1,601.1 million, with a year-on-year growth of 16.5%; the Company obtained the Non-IFRSs adjusted net profit attributable to owners of the parent of RMB1,903.4 million, with a year-on-year growth of 3.8%. In 2022, the gains from the fair value change of biological assets were much higher than that of 2023. Excluding this impact, the Company's non-IFRSs adjusted net profit attributable to owners of the parent for the year ended December 31, 2023 increased by 11.4% year-on-year.

The Company continued to adhere to the "Customer Centric" corporate philosophy. Leveraging its fully-integrated services platform, state-of-the-art R&D and production technologies, and seamless collaborations among teams in China, the U.K. and the U.S., the Company has effectively met the diverse needs of global customers across different R&D stages. During the Reporting Period, the Company served more than 2,800 global customers, of which the customers using the services of multiple business segments of the Company contributed revenue of RMB8,641.1 million, accounting for 74.9% of the Company's revenue. During the Reporting Period, the Company added more than 800 new customers, contributing revenue of RMB858.7 million, accounting for 7.4% of the Company's revenue; the existing customers contributed revenue of RMB10,679.3 million, with a year-on-year growth of 12.7%, accounting for 92.6% of the Company's revenue. In addition, the Company had extensive technical cooperation with clients and made joint publications from research results, including 40 articles published in peer-reviewed international scientific journals, such as J. Med. Chem.,

Org. Letter and OPR&D, etc., and 40 granted or submitted domestic and international patent applications (8 of which Pharmaron invented and owns the IP rights, and 32 IP rights owned by our clients with Pharmaron scientists as coinventors) in 2023.

Categorized by customer types, during the Reporting Period, the revenue from the global top 20 pharmaceutical companies was RMB1,722.7 million, with a year-on-year growth of 14.9%, accounting for 14.9% of the Company's revenue; the revenue from other customers was RMB9,815.3 million, with a year-on-year growth of 12.0%, accounting for 85.1% of the Company's revenue.

Categorized by regions where the customers are located, during the Reporting Period, the revenue from customers in North America was RMB7,400.8 million, with a year-on-year growth of 11.4%, accounting for 64.1% of the Company's revenue; the revenue from customers in EU (including the U.K.) was RMB1,844.4 million, with a year-on-year growth of 24.4%, accounting for 16.0% of the Company's revenue; the revenue from customers in China was RMB1,975.0 million, with a year-on-year growth of 5.0%, accounting for 17.1% of the Company's revenue; and the revenue from customers in other regions was RMB317.9 million, with a year-on-year growth of 23.0%, accounting for 2.8% of the Company's revenue.

The Company continued to bring in high-level domestic and overseas talents and enhance its global capabilities and capacities to support its growing business. As of December 31, 2023, the total number of employees reached 20,295, including 18,239 R&D, production technology and clinical services staff, accounting for 89.9% of the total number of employees in the Company, with a year-on-year growth of 814 employees. During the Reporting Period, the Company's revenue growth rate exceeded the growth rate of the number of employees, and further increased its revenue per capita. With the expansion of its global footprint, the Company owns 11 operating facilities and has more than 1,600 employees in the U.K. and the U.S. In 2023, the delivered revenue of the overseas subsidiaries accounted for 13.7% of the revenue of the Company.

The Company continuously attaches importance to quality management, strictly abides by the highest level of international quality standards, and provides customers with high quality products and services. The Company regularly carries out internal and external audits, comprehensively improving and enhancing the quality compliance system by addressing potential risks in all aspects of the quality management life cycle. On the one hand, the company has established an internal audit team composed of experts from various departments. Based on the requirements of relevant quality standards, the team conducts a comprehensive internal audit of product and service quality at least once a year. Issues identified during the audit have been addressed on schedule. During the Reporting Period, the Company completed the internal quality audit of CMC production facilities and clinical service sites in accordance with the international GMP/CGP/CLP standards such as ICHQ7 API GMP Guidelines, ICH Q10 Pharmaceutical Quality System, EU GMP Standards, US GMP Standards, China GMP Standards, GCP Standards and GLP Standards. On the other hand, the Company has also received multiple customer audits, regulatory audits and EU QP audits, and all passed smoothly.

II. CHANGE OF THE BOARD OF DIRECTORS

In 2023, the Company successfully completed the election of the Board of Directors. In order to adapt to the actual situation and the needs of the Company's business development, and further improve the scientific decision-making efficiency and level of the Board of Directors, the structure of the Board of Directors was adjusted, and the number of members of the Board was adjusted from 11 to 9, including 3 Executive Directors, 2 Non-executive Directors and 4 Independent Non-executive Directors. After the adjustment of the Board structure, the proportion of Independent Non-executive Directors increased from 36% to 44%. Independent Non-executive Directors shall maintain sufficient independence in their work, actively perform their duties in the aspects of the corporate governance, internal control, information disclosure and financial supervision, and more effectively safeguard the Company the interests of all shareholders, especially the protection of the legitimate rights and interests of minority shareholders and supervise the work of the Board of Directors. The increase in the proportion of Independent Non-executive Directors further optimizes the governance structure.

III. PERFORMANCE OF THE BOARD

1. Convening of the meeting

According to the development needs of the Company, the Board of Directors shall hold meetings in a timely manner to make decisions on major issues. Seven Board meetings were held throughout the year to make decisions on important matters such as regular reports, profit distribution, guarantees, related transactions and share incentive schemes. Carefully organized implementation of the board resolutions has effectively promoted the development of the Company. The meetings of the Board of Directors held in 2023 the Company are as follows:

Session	Date	Resolutions considered and approved
The 24th Meeting of the Second Session of the Board of Directors	March 30, 2023	<ol style="list-style-type: none">1. Resolution Regarding the Work Report of the Board of Directors for 20222. Resolution Regarding the Work Report of the General Manager in 20223. Resolution Regarding the Financial Final Accounts Report for 20224. Resolution Regarding the Plan for Profit Distribution and Conversion of Capital Reserve into Share Capital in 20225. Resolution Regarding the Company 2022 Internal Control Self-Assessment Report6. Resolution Regarding the Company 2022 Annual Report Full Text, Report Summary and 2022 Annual Results Announcement

Session	Date	Resolutions considered and approved
		7. Resolution Regarding the Remuneration Plan for Directors of the Company
		8. Resolution Regarding the Remuneration Plan for Senior Management of the Company
		9. Resolution Regarding the Company Engaging Domestic Financial and Internal Control Audit Institutions in 2023
		10. Resolution Regarding the Company Engaging Overseas Accounting Firms in 2023
		11. Resolution Regarding Confirmation of Daily Related Transactions in 2022
		12. Resolution Regarding Estimated Application for Credit Lines from Non-related Party Financial Institutions in 2023
		13. Resolution Regarding the Company Estimated Amount of Guarantee in 2023
		14. Resolution Regarding Using Part of Idle Self-owned Funds to Purchase Wealth Management Products
		15. Resolution Regarding Confirmation of Transaction of Hedging Products in 2022 and Estimation of Transaction Limit of Hedging Products in 2023
		16. Resolution Regarding 2022 Environmental, Social and Governance Report of the Company
		17. Resolution Regarding the Extension of the Term of the Special Mandate for the 2021 Annual General Meeting and the Acquisition of the Special Mandate for the 2022 Annual General Meeting Pursuant to the Conversion and Issuance of Additional H Shares under the H Share Convertible Bonds
		18. Resolution Regarding Granting a General Mandate to the Board of Directors to Issue the Company Additional H Shares by the Shareholders' General Meeting
		19. Resolution on Fulfillment of the Conditions for Unlocking the Third Unlock Period of the First Grant of 2019 Restricted A Share Incentive Scheme but the Shares are not Listed Temporarily

Session	Date	Resolutions considered and approved
		20. Resolution on the 2023 Restricted A Share Incentive Scheme (Draft) and its Summary
		21. Resolution on the Administrative Measures for Appraisal System of the 2023 Restricted A Share Incentive Scheme
		22. Resolution Regarding Authorizing the Board of Directors by the Shareholders' General Meeting to Deal with Matters Relating to the 2023 Restricted A Share Incentive Scheme
		23. Resolution Regarding Increasing Registered Capital, Revising the Articles of Association and Handling Industrial and Commercial Change Registration
		24. Resolution Regarding Revising the Rules of Procedure of the Shareholders' General Meeting
		25. Resolution Regarding Revising the Working System for Independent Non-executive Directors
		26. Resolution Regarding Revising the Related Transactions Management Policy
		27. Resolution Regarding Revising the External Guarantee Management Policy
		28. Resolution Regarding Revising the Management Policy for the Special Deposit and Use of Raised Funds
		29. Resolution Regarding Revising the Procedures for Shareholders to Nominate Individuals as Directors of this the Company
		30. Resolution Regarding Revising Part the Company Governance System
		31. Resolution Regarding Wholly-owned Subsidiary of the Company Equity Financing and Related Transactions
		32. Resolution Regarding Convening the 2022 Annual General Meeting, the 2023 First A Class General Meeting of Shareholders and the 2023 First H Class General Meeting of Shareholders

Session	Date	Resolutions considered and approved
The 25th Meeting of the Second Session of the Board of Directors	April 27, 2023	<ol style="list-style-type: none">1. Resolution Regarding the Company First Quarterly Report of 20232. Resolution Regarding Amendments to the Articles of Association3. Resolution Regarding the Company Election of the Board of Directors – Election of the Executive Director of the Third Session of the Board of Directors4. Resolution Regarding the Company Election of the Board of Directors – Election of Non-executive Directors of the Third Session of the Board of Directors5. Resolution Regarding the Company Election of the Board of Directors – Election of Independent Non-executive Directors of the Third Session of the Board of Directors6. Resolution on the Adjustment of the Repurchase Price and Number of Restricted Shares under the 2019 Restricted A Share Incentive Scheme7. Resolution Regarding Repurchase and Cancellation of Part of Restricted A Shares8. Resolution Regarding the Reduction of Registered Capital of the Company9. Resolution Regarding Change Registration Procedures in Market Supervision and Management Departments
The 1st Meeting of the Third Session of the Board of Directors	July 7, 2023	<ol style="list-style-type: none">1. Resolution Regarding the Election of the Company the Chairman of the Third Session of the Board of Directors2. Resolution Regarding the Election of the Company Members of the Special Committees of the Third Session of the Board the of Directors3. Resolution Regarding Appointment of the Company Chief Executive Officer4. Resolution Regarding Appointment of the Secretary of the Board of Directors

Session	Date	Resolutions considered and approved
The 2nd Meeting of the Third Session of the Board of Directors	August 25, 2023	<ol style="list-style-type: none"> 5. Resolution Regarding Appointment of the Other Senior Management 6. Resolution Regarding the Adjustment to Incentive Participants and the Number of Restricted A Shares under the First Grant under the 2023 Restricted A Share Incentive Scheme 7. Resolution Regarding the First Grant and Partial Reserved Restricted Shares to Participants under the 2023 Restricted A Share Incentive Scheme
		<ol style="list-style-type: none"> 1. Resolution Regarding the 2023 Interim Report Full Text, Report Summary and Interim Results Announcement 2. Resolution Regarding Increasing Guarantee Amount for Wholly-owned Subsidiary the Company 3. Resolution Regarding Authorizing the Board of Directors to Issue Overseas Debt Financing Instruments at the Shareholders General Meeting 4. Resolution Regarding Increase of Registered Capital 5. Resolution Regarding Amendments to the Articles of Association 6. Resolution Regarding the Authorization of the General Meeting of Shareholders the Company to the Board of Directors to Handle Matters Related to the Change of Registered Capital and the Amendments to the Articles of Association 7. Resolution Regarding Designating Independent Non-executive Directors to Supervise the Company Other Directors to Trade the Company's Securities 8. Resolution Regarding the Proposed Convening of the First Extraordinary General Meeting in 2023, the Second A Class General Meeting of Shareholders in 2023 and the Second H Class General Meeting of Shareholders in 2023
The 3rd Meeting of the Third Session of the Board of Directors	October 18, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Investment and Equity Participation in Overseas Company and Related Transactions

Session	Date	Resolutions considered and approved
The 4th Meeting of the Third Session of the Board of Directors	October 27, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Company Third Quarterly Report of 2023 2. Resolution on Matters Relating to Adjustments to the 2021 and 2022 Restricted A Share Incentive Scheme 3. Resolution in relation to the fulfilment of the vesting conditions for the second vesting period of the 2021 Restricted A Share Incentive Scheme but the shares will not be listed for the time being. 4. Resolution on the Fulfillment of the Vesting Conditions for the First Vesting Period of the 2022 Restricted A Share Incentive Scheme but the Shares Will Not Be Listed Temporarily 5. Resolution on the Cancellation of Certain Restricted Shares Granted but Not Yet Vested under the 2021 and 2022 Restricted A Share Incentive Schemes 6. Resolution Regarding Projected Daily Related Transactions with Ningbo Newbay Technology Development Co., Ltd.
The 5th Meeting of the Third Session of the Board of Directors	December 22, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Participating in Private Equity Investment Funds and Related Transactions

2. Implementation of resolutions of the general meeting of shareholders

In 2023, the Company convened one annual general meeting and one extraordinary general meeting. The Board of Directors performed its duties in strict accordance with the provisions of the Company Law, the Securities Law and other laws and regulations as well as the Articles of Association, and conscientiously implemented the resolutions considered and passed at the general meeting in strict accordance with the resolutions and authorizations of the general meeting.

3. Performance of the Special Committees of the Board of Directors

(1) Performance of duties of the Audit Committee during the reporting period

The main responsibility of the Audit Committee is to supervise, inspect and evaluate the internal control and financial information in accordance with the provisions of the Company Charter. All the members of the Audit Committee are Independent Non-executive Directors. The establishment of the Audit Committee strengthens the decision-making role of the Board of directors, ensures the effective supervision of the Board of directors over senior managers, and improves the Company governance structure. During the reporting period, the Audit Committee held a total of 7 meetings to deliberate on the Company internal control self-assessment report, renewal of audit institutions, related transactions and other proposals, the details of which are as follows:

Session	Time	Resolutions considered and approved
16th Meeting of the Audit Committee of the Second Session of the Board of Directors	March 30, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Company 2022 Internal Control Audit Report 2. Resolution Regarding the Work Report of Internal Control and Internal Audit Department in 2022 and the Inspection Report on Major Events in the Second Half of 2022 3. Resolution Regarding the Financial Final Accounts Report for 2022 4. Resolution Regarding the Company 2022 Annual Report Full Text, Report Summary and 2022 Annual Results Announcement 5. Resolution Regarding the Plan for Profit Distribution and Conversion of Capital Reserve into Share Capital in 2022 6. Resolution Regarding the Company Engaging Domestic Financial and Internal Control Audit Institutions in 2023 7. Resolution Regarding the Company Engaging Overseas Accounting Firms in 2023 8. Resolution Regarding the Company Special Audit Statement on Funds Occupied by Controlling Shareholders and Other Associated Parties 9. Resolution Regarding Confirmation of Daily Related Transactions in 2022 10. Resolution Regarding Confirmation of Transaction of Hedging Products in 2022 and Estimation of Transaction Quota of Hedging Products in 2023

Session	Time	Resolutions considered and approved
		<ol style="list-style-type: none"> 11. Resolution Regarding Confirmation of the Company Related/Connected Legal Persons, Related/Connected Natural Persons and Related/Connected Persons 12. Resolution Regarding Review of Compliance with the Corporate Governance Code of the Company 13. Resolution Regarding Equity Financing of a Wholly-owned Subsidiary and Related Transaction 14. Resolution Regarding the Summary of Audit Work in 2022
17th Meeting of the Audit Committee of the Second Session of the Board of Directors	April 27, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Company First Quarterly Report of 2023 2. Resolution Regarding Internal Control and Internal Audit Work Report
The 1st Meeting of the Audit Committee of the Third Session of the Board of Directors	August 25, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Work Report of Internal Control and Internal Audit Department for the First Half of 2023 and the Inspection Report on Major Matters 2. Resolution Regarding the Company 2023 Interim Report Full Text, Report Summary and Interim Results Announcement 3. Resolution Regarding Confirmation of the Company Related/Connected Legal Persons, Related/Connected Natural Persons and Related/Connected Persons
The 2nd Meeting of the Audit Committee of the Third Session of the Board of Directors	October 18, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Investment and Equity Participation in Overseas Company and Related Transactions
The 3rd Meeting of the Audit Committee of the Third Session of the Board of Directors	October 27, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Work Report of Internal Control and Internal Audit Department 2. Resolution Regarding the Company Third Quarterly Report of 2023 3. Resolution Regarding Projected Daily Related Transactions with Ningbo Newbay Technology Development Co., Ltd.

Session	Time	Resolutions considered and approved
The 4th Meeting of the Audit Committee of the Third Session of the Board of Directors	December 11, 2023	1. Resolution Regarding 2023 Annual Audit Plan
5th Meeting of the Audit Committee of the Third Session of the Board of Directors	December 22, 2023	1. Resolution Regarding Participating in Private Equity Investment Funds and Related Transactions

(2) *Performance of duties of the Remuneration and Appraisal Committee during the reporting period*

The main duties of the Remuneration and Appraisal Committee are to review and supervise the implementation of the remuneration system and performance appraisal system with effective incentive and restraint effects, make recommendations to the Board on the remuneration system and performance appraisal system for the Company Directors and senior management and the Company A share incentive schemes, and evaluate the performance and behavior of Directors and senior management. Two meetings were held during the reporting period.

Session	Time	Resolutions considered and approved
The 8th Meeting of the Remuneration and Appraisal Committee of the Second Session of the Board of Directors	March 30, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Remuneration Program of the Company's Directors 2. Resolution Regarding the Remuneration Program of the Company's Senior Management 3. Resolution Regarding the Performance Evaluation of the Company's Senior Management 4. Resolution Regarding the fulfillment of the conditions for the release of the restricted shares under the first grant under the 2019 Restricted A Share Incentive Scheme during the third unlocking period, but the shares will not be listed Temporarily 5. Resolution Regarding the 2023 Restricted A Share Incentive Scheme (Draft) and its Summary 6. Resolution Regarding Deliberating the Measures for Management of the 2023 Restricted A Share Incentive Scheme 7. Resolution Regarding Verifying the List of Incentive Targets First Granted by the Company's 2023 Restricted A Share Incentive Scheme

Session	Time	Resolutions considered and approved
The 1st Meeting of the Remuneration and Appraisal Committee of the Third Session of the Board of Directors	October 27, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Relation to the Fulfilment of the Vesting Conditions for the Second Vesting Period of the 2021 Restricted A Share Incentive Scheme but the Shares will not Be Listed Temporarily 2. Resolution Regarding the Fulfillment of the Vesting Conditions for the First Vesting Period of the 2022 Restricted A Share Incentive Scheme but the Shares Will not Be Listed Temporarily

(3) Performance of duties of the Strategy Committee during the reporting period

The main responsibilities of the Strategy Committee are to study and make recommendations on the Company medium and long-term development strategies and major investment decisions, and to assist the Board of Directors in carrying out relevant work within the scope of its duties and powers. At the same time, as the decision-making body of ESG governance, the Strategy Committee is responsible for supervising, reviewing and deciding the Company ESG strategies, objectives and other matters. During the reporting period, the Company held one meeting of the Strategy Committee.

Session	Time	Resolutions considered and approved
The 6th Meeting of the Strategic Committee of the Second Session of the Board of Directors	March 30, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Company 2022 Environmental, Social and Governance Report 2. Resolution Regarding Revising the Environmental, Social and the Company Governance Management Measures 3. Resolution Regarding Revising the Environmental, Social and the Company Governance (ESG) Information Management Manual

(4) Performance of duties of the Nomination Committee during the reporting period

The primary duties of the Nomination Committee are to develop the Company criteria and procedures for the selection of Directors and officers, to search for and select candidates, and to make recommendations; at the same time, the nomination committee was also responsible for reviewing the structure, personnel and composition of the Board of Directors, and held three meetings during the reporting period.

Session	Time	Resolutions considered and approved
The 4th Meeting of the Nomination Committee of the Second Session of the Board of Directors	March 30, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding Reviewing the Rationality of the Board Structure 2. Resolution Regarding Assessing the Independence of Independent Non-executive Directors
5th Meeting of the Nomination Committee of the Second Session of the Board of Directors	April 27, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Election of the Board of Directors – Election of the Executive Director of the Third Session of the Board of Directors 2. Resolution Regarding the Election of the Board of Directors – Election of Non-executive Directors of the Third Session of the Board of Directors 3. Resolution Regarding the Election of the Board of Directors – Election of Independent Non-executive Directors of the Third Session of the Board of Directors
6th Meeting of the Nomination Committee of the Second Session of the Board of Directors	July 7, 2023	<ol style="list-style-type: none"> 1. Resolution Regarding the Proposed Appointment of Senior Management after the Change of the Board of Directors

4. Performance of Independent Directors

In August 2023, after the CSRC issued the Measures for the Administration of Listed the Company Independent Directors (hereinafter referred to as the “Administrative Measures”), the Company has earnestly implemented the requirements of the Administrative Measures, organized all Independent Non-executive Directors to study the amendments and new requirements of the Administrative Measures, and discussed with Independent Non-executive Directors on the future performance of the duties stipulated in the Administrative Measures. At the same time, all Independent Non-executive Directors timely self-check their independence and qualifications to determine that they meet the requirements of the new regulations. In 2023, all the Independent Non-executive Directors, with an attitude of being responsible to the

Company and shareholders, performed their duties diligently and faithfully, actively attended relevant meetings, carefully considered various proposals, objectively expressed their views and opinions based on their independent position, and put forward professional opinions or suggestions on the Company major issues such as business management, financial management, related transactions and profit distribution. The Independent Non-executive Directors had been regularly and independently communicating with the auditors of the accounting firm employed by the Company, paying full attention to the Company's important matters such as internal control construction, risk prevention and control, and financial audit, and playing a positive role in regulating operation and safeguarding the Company the legitimate rights and interests of the majority of shareholders. From December 10 to December 12, 2023, all Independent Non-executive Directors collectively visited Pharmaron (Ningbo) Technology Development Co., Ltd. and Pharmaron (Ningbo) Biologics Co., Ltd., visited the production facilities on site, and raised questions and suggestions on business development. In addition, the independent directors regularly maintained good communication with other directors and senior officers of the Company through on-site meetings, communication and other means, so as to keep abreast of the production, operation and financial status of the Company.

5. Investor Relationship Management

The investor relationship team has set up a diversified communication platform to form a timely and effective two-way communication mechanism with investors on the premise of following the scope of information disclosure, so as to deliver the Company's value to the capital market and enhance investors' awareness of the Company. the Company Actively organize and participate in investor relations activities, including answering investor hotlines, replying to interactive questions and answers, teleconferences, performance presentations and other forms. In 2023, the Company answered 116 interactive questions, held 7 research activities, received more than 2,000 institutional and individual investors, and promoted the communication between domestic and foreign investors and the Company. The Company also maintains continuous and good communication with individual investors who are highly concerned about the situation of the Company, introduces the production and operation situation of the Company, industry information and other contents to them, and timely relieves the negative emotions of investors caused by market fluctuations. In addition, the investor relationship team actively cooperates with the regulatory authorities to carry out investor education and publicity activities, including the World Investor Week in 2023 and the Financial Consumer Rights Protection Education and Publicity Month in 2023.

6. Environmental, Social and Governance

In 2023, the Company made its best efforts to improve the overall ESG performance by considering the expectations from the clients and investors as well as following the industry's best practice. Based on the Science Based Targets initiative (SBTi) and ISO environmental management guidelines, the Company established a robust environmental management system and actively explored the path of energy saving and emission reduction. The Beijing headquarters has been assessed and certified as meeting the requirements of ISO 14001 in early 2024 following preparation in 2023. At the same time, the company actively responded to the national renewable energy substitution advocacy, piloted green electricity and biomass energy application in multiple domestic and oversea campus, and gradually increased the proportion of renewable energy use. The initiatives laid out a foundation for the Company's future green transformation. During the Reporting Period, the Company's CDP (Carbon Disclosure Project) climate questionnaire was rated B, responding to the expectations of clients and investors for the Company's sustainable development. In addition, this year's ESG work is no longer limited to the environmental field, the social and governance aspects have also been greatly improved in conjunction with the continuous improvement of the Company's compliance system. Referring to the United Nations Global Compact and other international standards, the Company developed and piloted its Diversity and Inclusion program to empower employees, and cooperate with value chain partners for win-win results. Meanwhile, the Company has devoted itself to social welfare and industry development, organized a number of academic activities, and practiced corporate citizenship responsibility. With the successive implementation of various thematic projects, the overall ESG performance of the Company has been improved and become competitive. In the Sustainalytics rating, the company has been rated as "2023 ESG Industry Top Related Company", and evaluated as "low risk" company. In addition, the Company was selected as the "ESG Best Practice Case of Listed Companies" of China Association for Public Companies in 2023, and won the honors of ESG Top 50 of China's Listed Companies in 2023 and the 17th Green Low Carbon Outstanding Contribution Award of China's Listed Companies, reflecting broad recognition for its accomplishments in ESG aspects.

7. Information disclosure

The Board of Directors operates in strict compliance with the Securities Law, the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and other laws and regulations, as well as the Articles of Association, the Rules of Procedure for the Board of Directors and the Information Disclosure Management Policy and other rules and regulations. Actively carry out work in fulfilling the obligation of information disclosure and strengthening the management of investor relations. In 2023, the Board of Directors disclosed information in a timely, true, accurate and complete manner, with 198 announcements for A shares and 306 announcements for H shares (in both Chinese and English). On the basis of meeting the compliance requirements of mandatory information disclosure, we further took the initiative to do a good job of voluntary information disclosure to enhance investor confidence. Ours work of information disclosure has been confirmed by the regulatory authorities. Since listing, the Company has maintained the "A" rating (the highest level) in the information disclosure evaluation of Shenzhen Stock Exchange for four consecutive years, and has established a good corporate image.

8. Review of corporate governance functions of the Company

Since the Company was listed on the Stock Exchange, it has always complied with the Corporate Governance Code in Appendix C1 of the Listing Rules of the Stock Exchange. The Board of Directors has discussed and reviewed the corporate governance situation of the Company in 2023, and considered that the Company corporate governance functions are legit and effective; the Company the current shareholder communication policy is legal and effective.

Due to the expiration of the term of the second session of the Board of directors, the 2022 general meeting of shareholders was held on June 21, 2023, and the Directors of the third session of the Board of Directors were elected. There are currently nine Board members, seven men and two women. The members of the Board have a wide range of academic backgrounds, skills, knowledge and experience, including: chemistry, business management, law, economics, materials science and engineering, business administration, management and other disciplines; skills, knowledge and experience include: scientific research, company management, investment, legal services, finance and audit and other aspects. The Board is of the view that the Board Diversity Policy is effective. Efforts will continue to be made to improve existing policies and enhance corporate governance.

9. Review the mechanism for the Board to obtain independent opinions

In 2023, the Company adjusted the structure of the Board of Directors and elected the third session of the Board of Directors, and adjusted the composition of the Board of Directors from 11 to 9, of which the number of Executive Directors remained unchanged at 3, the number of Non-Executive Directors decreased from 4 to 2, and the number of Independent Non-executive Directors remained unchanged at 4. After the adjustment of the Board structure, the proportion of Independent Non-executive Directors increased from 36% to 44%. The number and composition of Executive Directors, Non-Executive directors and Independent Non-executive Directors in the third session of the Board of Directors are more balanced, with a high degree of independence; Strictly comply with the requirements of the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited on the composition of the Board committees to ensure that each Board committee can obtain independent views; The Board is well structured and appropriately sized and has a balance of skills, knowledge, experience and gender, and each Independent Non-Executive Director has a balanced term of office, which is conducive to maintaining a balance between the number of directors who have in-depth knowledge of the Company and the number of directors who have new ideas and insights; Each Independent Non-Executive Director will be notified as soon as possible of any changes in his personal information that may affect his independence the Company; no share options, grants of shares or other compensation of equity interests with performance-related elements have been granted to Independent Non-executive Directors in order to maintain his objectivity and independence on the Board.

IV. WORK OUTLOOK FOR 2024

On March 7, 2024, the Company disclosed the “Announcement on the Action Plan for ‘Quality Improvement and Return Enhancement’”, the Company will continue to adhere to the principle of investor-oriented. Starting from focusing on the main business, continuously improving the Company core competitiveness, continuously standardizing the corporate governance, practicing social responsibility, improving the quality of information disclosure, strengthening communication with investors, and strengthening investor returns, the action plan of “double promotion of quality and investment return” will be implemented in place to effectively enhance investors’ sense of acquisition. To this end, the Board of Directors has formulated a work outlook for 2024:

1. Improving standardized corporate governance

The Board of Directors will continue to adhere to the principles of faithfulness, trustworthiness and standardized operation, comprehensively sort out various management systems of the Company, revise and improve various management systems in a timely manner in accordance with relevant laws and regulations, self-regulatory guidelines and self-regulatory guidelines, and in combination with the actual situation of listing the Company, so as to do a good job of “internalization of external regulations”. Promote the steady improvement of the Company governance level. Members of the Board of Directors will actively participate in various trainings organized by Beijing Securities Regulatory Bureau and Shenzhen Stock Exchange to improve their professional quality. At the same time, the Board of Directors will also improve the level of corporate governance by strengthening communication with international institutional investors and listening to the reasonable suggestions of investors. The Board of Directors will strictly comply with the requirements of the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and other rules and regulations, promote the further improvement of the internal control and internal audit system, and build a comprehensive, whole-process and full-coverage strict and effective internal control and risk control system. According to the actual demands of the corporate governance, review the deficiencies and sum up the experience to ensure that the internal audit department can perform its duties in accordance with the law and regulations, maximize its supervisory functions, promote the Company to form an internal self-regulation and error correction mechanism, and ensure that the Company always operates on the normal track. The Board of Directors will operate in good faith, manage transparently, constantly improve the corporate governance structure, standardize the Company operation, and effectively protect the interests of all shareholders and the Company.

2. Emphasis on investor relationship management

The Board of Directors will continue to strengthen the management of investor relations in Shenzhen and Hong Kong market. The Board of Directors will urge relevant departments and personnel to actively carry out investor relations management based on the demands of investors, and reasonably and properly arrange for institutional investors, news media and other specific objects to the Company on-site visits, discussions, research and other reception work, and do a good job of confidentiality of undisclosed information. At the same time, through non-trading roadshows, performance conferences, investor hotlines, investor mailboxes, interactive trading platforms, on-site research, online presentations and other channels, multi-level contacts and communication with institutional investors and individual investors are strengthened to protect investors' right to make suggestions and inquiries, and to treat them fairly, openly and justly. This will help investors to deepen their understanding and recognition of the Company, and promote long-term, stable and good interaction between the Company and investors. In 2024, the Board of Directors will focus on strengthening the protection of investors' rights and interests, strictly abide by the relevant provisions of the Securities Law on investor protection, and effectively protect the legitimate rights and interests of investors. The Company will cooperate with the regulatory authorities to do a good job in publicity and education on the protection of investors' rights and interests, actively communicate with investors through online and offline channels such as hotlines, network platforms and on-site communications at shareholders' meetings, popularize risk sense to investors and raise awareness of risk prevention.

3. Implementing the concept of green development

The Company actively responds to the national "dual-carbon" strategy and pay close attention to the impact of business development on the environment. As the "governance layer" of ESG work, the Board of Directors and the Strategic Committee will take the scientific carbon target project as an opportunity to urge and guide the ESG executive committee to set medium and long-term carbon reduction targets, formulate reasonable and feasible energy saving and emission reduction plans, explore the best path of green transformation of enterprises, and promote environmental protection from target to practice; At the same time, the Company actively integrates social responsibility into its own strategy and governance, not only pays attention to its own carbon footprint management, but also actively cooperates with value chain partners to seek a green and stable development path for the industry. The Board of Directors will consciously implement the concept of green sustainable development for a long time, serve customers, shareholders and society with a higher sense of social responsibility, promote the low-carbon transformation of the supply chain, actively respond to climate change, respond to the requirements and expectations of all parties for the Company green development, and assume due responsibilities for promoting the healthy and harmonious development of the Company itself and the whole society.

4. Adhering to high-quality information disclosure

As the Company listing on A-shares and H-shares markets in Shenzhen and Hong Kong, the Board of Directors will continue to pay more attention to the quality of information disclosure and, as always, carefully fulfill the obligation of information disclosure, do a good job in the preparation and disclosure of regular reports and interim reports with high quality, strictly control information disclosure, and effectively improve the level and transparency of information disclosure. Ensure the timeliness, authenticity, accuracy and completeness of information disclosure, maintain the “A” rating in the information disclosure evaluation of Shenzhen Stock Exchange, and establish a good corporate image in the capital market. In 2024, the Board of the Company will urge the Directors, Senior managers and relevant staff to strengthen the study of the supervision of laws, regulations and rules on information disclosure, such as the Company Law, the Securities Law, the Measures for the Administration of Information Disclosure of Listing Companies, the No. 2 Self-Regulatory Guidelines of Shenzhen Stock Exchange for Listed Companies – the Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies Listed on the ChiNext Board, and the Listing Rules of the Stock Exchange of Hong Kong Limited. The study of normative documents ensures the quality and professional level of information disclosure by improving their professional accomplishment.

5. Main operational plan for 2024

Despite the impact of global biotech funding environment and the temporary slowdown of the growth of customer demands, the long-term industry fundamentals for pharmaceutical R&D remain intact. In 2024, the Company will continue to adhere to the growth strategy of “end-to-end, fully integrated and global”, and is committed to providing customers with better services and winning more market share. The Company will focus on the following tasks:

(1) Develop new technologies and maintain the Company’s industry leading position

Since inception, the Company has placed great emphasis on technology and innovation to meet the customers’ evolving R&D needs. In 2024, the Company shall keep up with the development direction of new technologies and processes to further strengthen its fully-integrated service platform and maintain its leading position in the industry. The Company will continue to cultivate new technologies and continuously improve and enhance the existing chemistry and bioscience technological capabilities through internal research and development, cooperation with universities and professional organizations, collaboration with customers, and acquisitions.

(2) *Strengthen the fully integrated service platform for multiple modalities*

a. *Strengthening its leading position in small molecules and continue to develop capabilities for new modalities*

After years of efforts, the Company has built a small molecule pharmaceutical R&D and manufacturing service platform broadly covering the full process from drug discovery to preclinical and clinical development. In 2024, the Company will continue to deepen its efforts in strengthening its leading position in small molecule R&D services and further enhance its competitiveness globally. In addition, the Company will continue to expand and deepen its service offerings in new modalities including oligonucleotides, peptides, antibodies, ADC, and CGT products, and promote the diversification of its integrated platform.

b. *Continue to improve its CMC (small molecule CDMO) services capabilities*

The Company's 600 m³ of commercial manufacturing capacity in Shaoxing had been put into operation in 2022. In addition, the Company expanded its commercial manufacturing capacities in the U.S. and the U.K. through acquisitions. After the integration of the capacities in China, the U.K. and the U.S., the Company has set up a production information center to coordinate the equipment, manpower and materials of these CDMO facilities to improve utilizations; it has streamlined and simplified the operating processes and documentations to facilitate the project transfers and business coordination, and improve productivities. In 2024, the Company will continue to promote the integration among the facilities in China, the U.K. and the U.S. to enhance the synergies and provide customers with more flexible, more cost-effective and customized solutions to meet their needs across different regions. With its unique competitive advantages, the Company expects to undertake more late-stage or commercial projects.

c. *Continue to improve the fully integrated clinical development service platform*

Through a series of integration, the clinical development service platform in China will further strengthen the clinical development service capability of each subsidiary and department and enhance team cohesion. Overseas clinical services extend to clinical development services for patients with oncology and nononcology diseases, based on the consolidation and enhancement of early-stage clinical trial services focusing on healthy volunteers. In 2024, while driving the continuous improvement of the integrated clinical service platform, the Company will further promote the cooperation between teams in China and the U.S., and help overseas customers develop their products in China and help China customers develop their products overseas.

d. Continue improving biologics and CGT services platform

For the biologics R&D services, in 2024, the Company will continue to develop biologics discovery service capabilities by expanding its team, hence broadening its services offerings. The Company will also advance the construction of its biologics development and manufacturing facilities in Ningbo (Campus II in Ningbo) and establish a quality management system that meets the highest international standard.

In the field of cell and gene therapies services, the Company will continue to realize the synergies between its CGT services in the U.S. and its gene therapy CDMO services in the U.K., and gradually increase its business scale and operation efficiency. Leveraging the strengths of its service platforms, the Company will actively expand its customer base and capture the growing needs of domestic and overseas customers.

(3) *Continue to strengthen our talent pool to support our long-term and sustainable growth*

Talents are the foundation of innovation and the key to strengthening our core competitiveness. It is our long-standing human resources strategy to build an inclusive and open development platform to attract and train our talent pool. As of December 31, 2023, the total number of employees of the Company was 20,295, including more than 1,000 new graduates recruited on campus. In 2024, we will continue to attract high-calibre R&D talents globally, improve the Company's benefits system to maximize the retention of talents in key positions, and further expand and enhance our multidimensional and comprehensive training system. Implement differentiated content training according to business needs to different level managers, so that employees and the Company can grow together, so as to provide strong support to the future growth of the Company.

(4) *Further enhance the synergy effect of the fully integrated platform*

The Company will continue to focus on improving the synergies of the service platform through vertical and horizontal directions, and continuously invest in building new service capabilities and improving management efficiency to meet the needs of the market and customers. Vertically, the Company is strengthening the seamless integration of the same discipline across different pharmaceutical R&D stages. Horizontally, the Company is strengthening the integration of different disciplines at the same pharmaceutical R&D stages, improving the science and technology of each discipline, expanding the services offering, and promoting the interdisciplinary collaborations. In 2024, the Company will proactively promote cooperations across different segments and geographic regions, and strengthen its internal control system to improve productivities and reduce cost.

(5) Improve the Company's global business development and marketing capabilities

In 2024, the Company's business development (BD) team, marketing team and its scientists and technicians will work together to better serve its customers. From domestic to overseas, from preclinical to clinical, BD and marketing teams will build an integrated, multi-dimensional, and powerful network to support Company's development strategy. For overseas market, the Company will continue to maintain its solid relationships with its existing customers, and explore new business opportunities. Leveraging its scientific and technical expertise, the Company is committed to providing high quality services to its customers and maintaining its loyal customer base. For domestic market, the Company will adopt a China market strategy to better expand its domestic customer base and meet the domestic customers' needs.

(6) Enhance the Company's safety practice

In 2024, the Company will continue to put production safety and information security as the top priority in its daily operations to ensure the health and safety of its employees and protect information and intellectual property of its customers. On the one hand, the Company will continue to attach great importance to production safety. On the other hand, the Company will continue to strengthen the intellectual property management system, and comprehensively protect the information security of its customers. The Company's information system provides technical support for intellectual property management, and project management is in line with the information system to build a more rigorous intellectual property management system. In addition, the Company will continue to attach importance to its quality management system, strictly abide by the highest international quality control standards, and provide customers with high-quality products and services.

The Board of Pharmaron Beijing Co., Ltd.
March, 2024

WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

In 2023 (“reporting period”), the Supervisory Committee of the Company strictly accordance with the provisions of the Company Law, the Securities Law, the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and other laws and regulations, as well as the Articles of Association, the Rules of Procedure of the Supervisory Committee and other policies of the Company. The Supervisory Committee carefully and diligently performed its duties, effectively supervised major matters such as business decision-making procedures, production and operation activities, financial status and performance of Directors and Senior Management, promoted standardized operation and healthy development, and actively safeguarded the legitimate rights and interests of all shareholders and the Company. The performance of duty of Supervisory Committee of the Company in 2023 was as follows:

I. MEETINGS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee of the Company consists of three supervisors, including one employee representative Supervisor. The number and composition of the Supervisory Committee comply with laws and regulations. During the reporting period, the Supervisory Committee held 7 meetings in total, and all resolutions were unanimously passed. The convening and voting procedures of the Supervisory Committee were in compliance with the relevant provisions of the Company Law and the Articles of Association. Details of the meeting of the Supervisory Committee held are as follows:

- (I) On March 30, 2023, the 20th meeting of the second session of the Supervisory Committee was held to consider and approve:
1. Resolution on the 2022 Work Report of the Supervisory Committee
 2. Resolution on the Financial Final Accounts Report for 2022
 3. Resolution on the Plan for Profit Distribution and Conversion of Capital Reserve into Share Capital in 2022
 4. Resolution on 2022 Internal Control Self-Assessment Report
 5. Resolution on 2022 Annual Report Full Text, Report Summary and 2022 Annual Results Announcement
 6. Resolution on the Remuneration Plan for Supervisors
 7. Resolution on Engaging Domestic Financial and Internal Control Audit Institutions in 2023
 8. Resolution on Engagement of Overseas Accounting Firms in 2023

9. Resolution on Confirmation of Daily Related Transactions in 2022
 10. Resolution on the Company Estimated Guarantee Quota in 2023
 11. Resolution on Using Part of Idle Self-owned Funds to Purchase Wealth Management Products
 12. Resolution on Confirmation of Transaction of Hedging Products in 2022 and Estimation of Transaction Limit of Hedging Products in 2023
 13. Resolution on Granting a General Mandate to the Board of Directors by the Shareholders' General Meeting to Issue Additional H Shares
 14. Resolution in relation to the fulfillment of the conditions for the release of the restricted shares under the first grant under the 2019 Restricted A Share Incentive Scheme during the third unlocking period, but the shares will not be listed for the time being
 15. Resolution on the 2023 Restricted A Share Incentive Scheme (Draft) and its Summary
 16. Resolution on the Administrative Measures for Appraisal System of the 2023 Restricted A Share Incentive Scheme
 17. Resolution on the Verification of the List of Incentive Participants under the First Grant of the Company 2023 Restricted A Share Incentive Scheme
 18. Resolution on Revising the Rules of Procedure of the Supervisory Committee
 19. Resolution on Wholly-owned Subsidiary Financing and Related Transactions
- (II) On April 27, 2023, the 21st meeting of the second session of the Supervisory Committee was held to consider and approve:
1. Resolution on the First Quarterly Report of 2023
 2. Resolution on the Election of the Supervisory Committee and the Election of Non-employee Representative Supervisors of the Third Session of the Supervisory Committee
 3. Resolution on the Adjustment of the Repurchase Price and Number of Restricted Shares under the 2019 Restricted A Share Incentive Scheme
 4. Resolution on Repurchase and Cancellation of Part of Restricted Shares

(III) On July 7, 2023, the 1st meeting of the third session of the Supervisory Committee was held to consider and approve:

1. Resolution on the Election of the Chairman of the Third session of the Supervisory Committee
2. Resolution on the Adjustment to Incentive Participants and the Number of Restricted Shares under the First Grant under the 2023 Restricted A Share Incentive Scheme
3. Resolution on the First Grant and Partial Reserved Restricted Shares to Incentive Participants under the 2023 Restricted A Share Incentive Scheme

(IV) On August 25, 2023, the 2nd meeting of the third session of the Supervisory Committee was held to consider and approve:

1. Resolution on the 2023 Interim Report Full Text, Report Summary and Interim Results Announcement
2. Resolution on Increasing Guarantee Limit for Wholly-owned Subsidiary of the Company
3. Resolution on Authorizing the Board of Directors to Issue Overseas Debt Financing Instruments at the Shareholders' General Meeting

(V) On October 18, 2023, the 3rd meeting of the third session of the Supervisory Committee was held to consider and approve:

1. Resolution on Investment and Equity Participation in Overseas the Company and Related Transactions

(VI) On October 27, 2023, the 4th meeting of the third session of the Supervisory Committee was held to consider and approve:

1. Resolution on the Third Quarterly Report of 2023
2. Resolution on Matters Relating to Adjustments to the 2021 and 2022 Restricted A Share Incentive Schemes
3. Resolution in relation to the fulfilment of the vesting conditions for the second vesting period of the 2021 Restricted A Share Incentive Scheme but the shares will not be listed for the time being.

4. Resolution on the Fulfillment of the Vesting Conditions for the First Vesting Period of the 2022 Restricted A Share Incentive Scheme but the Shares Will not Be Listed Temporarily
5. Resolution on the Cancellation of Certain Restricted Shares Granted but Not Yet Vested under the 2021 and 2022 Restricted A Share Incentive Schemes
6. Resolution on Projected Daily Related Transactions with Ningbo Newbay Technology Development Co., Ltd.

(VII) On December 22, 2023, the 5th meeting of the third session of the Supervisory Committee was held to consider and approve:

1. Resolution on Participating in Private Equity Investment Funds and Related Transactions

II. OPINIONS OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY IN 2023

During the reporting period, In accordance with the relevant laws and regulations such as the Company Law, the Securities Law, the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the No. 2 Self-Regulatory Guidelines of Shenzhen Stock Exchange for Listed Companies – the Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies Listed on the ChiNext Board, as well as the provisions of the Articles of Association, from the perspective of safeguarding the interests of the Company and the rights and interests of small and medium-sized investors, the Supervisory Committee has carefully performed its functions, carried out a series of supervision and verification activities on the Company standardized operation, financial status, related/connected transactions, and formed the following opinions:

(I) The operation of the Company according to laws

During the reporting period, the Supervisory Committee effectively supervised the convening procedures, resolutions and decision-making process of the meetings of the Board of Directors and the general meetings of shareholders, the implementation of the resolutions of the general meetings of shareholders by the Board of Directors, the performance of Directors and Senior Management, the internal control system and its legal compliance. The Supervisory Committee has continuously supervised the implementation of the Company major decisions and the daily standardized performance and full due diligence of Directors and Senior Management.

In the view of the Supervisory Committee, the Company's works were conducted in strict accordance with the Company Law, the Articles of Association and other relevant laws and regulations, and the operational decisions were scientific and reasonable. The internal control system was sound and perfect, and formed a relatively perfect mechanism of check and balance among the operating, decision-making and supervisory bodies. When performing their duties, the Directors and Senior Management were diligent, abide by the national laws, regulations and the provisions of the Articles of Association, safeguard the Company's interests, and the Supervisory Committee have not found any violation of laws, regulations or damage to the Company's interests.

(II) Written opinions on regular reports of the Company

During the reporting period, the Supervisory Committee carefully reviewed the 2022 annual report and the first quarterly report, semi-annual report and third quarterly report for 2023 of the Company and considered that the above regular reports prepared were in compliance with the laws, administrative regulations, the requirements of the CSRC, the Shenzhen Stock Exchange and the Hong Kong Stock Exchange, and that the contents of the reports were true, accurate and complete. There were no false records, misleading statements or major omissions, the Supervisory Committee agreed to the contents of the above regular reports and approve their disclosure.

(III) Financial activities of the Company

The Supervisory Committee inspected and supervised the Company's financial activities in accordance with the law. After inspection and examination, the Supervisory Committee held that: The Company had sound financial system, standard financial operation and good financial condition. The financial statements for the year 2023 of the Company complied with the relevant provisions of the PRC Accounting Standards for Business Enterprises and the Accounting System for Business Enterprises, and was able to objectively, truly and accurately reflect the Company's financial condition and operating results.

(IV) Asset sale and acquisition of the Company

The Company did not have any major asset sale and acquisition during the reporting period.

(V) Related/Connected transactions of the Company

The Supervisory Committee paid attention to the transactions with related parties/connected persons of the Company, supervised and verified the related/connected transactions occurred during the reporting period in accordance with the requirements of the Articles of Association and the Management System of Related/Connected Transactions, and considered that:

The decision-making procedures for the daily connected transactions of the Company in 2023 complied with the provisions of the Company Law and other laws, regulations and normative documents, as well as the Articles of Association and the Management System of Related/Connected Transactions, and the transaction amount did not exceed the annual estimated amount; The pricing of the transaction followed the principles of fairness and reasonableness, and there was no manipulation of profits through connected transactions, nor was there any damage to the interests of the Company and shareholders.

During the reporting period, the wholly-owned subsidiary of the Company Pharmaron (Ningbo) Biologics Co., Ltd. (Pharmaron Biologics) carried out equity financing, Ningbo Kangjun Zhongyuan Equity Investment Partnership (Limited Partnership) a connected party of the Company, subscribed for 2.1989% equity of Pharmaron Biologics with investment of RMB188 million; Bayland Capital (Beijing) Co., Ltd, a connected party of the Company, invested RMB12 million to subscribe for 0.1404% of the equity of Pharmaron Biologics; Ningbo Yufeng Venture Capital Partnership (Limited Partnership), a connected party of the Company, invested RMB20 million to subscribe for 0.2339% of the equity of Pharmaron Biologics. The purpose of this transaction is to further accelerate the construction of R&D service capabilities such as biologics and CGT services, and to improve the operational capacity of Biologics and CGT services segment, which is in line with the medium and long-term development strategy of the Company and will not have a significant adverse impact on the financial condition and operating results of the Company. The pricing of this financing was a fair and reasonable and recognized by investors including independent third-party professional investment institutions after careful evaluation, and there was no situation that damages the interests of the Company and small and medium-sized shareholders.

During the reporting period, the Company used its own capital of US \$10.5 million through its wholly-owned subsidiary Pharmaron (Hong Kong) International Limited co-invested with partners CMS MEDICAL VENTURE PTE. LTD., Rxilient Health Pte. Ltd., and HEALTHY GOAL LIMITED in PharmaGend Global Medical Services Pte. Ltd., Which is located in Singapore. Furthermore, Purchased the state-of-the-art manufacturing machinery and equipment of Strides Pharma Global Pte. Ltd. in Singapore through PharmaGend Global Medical Services Pte. Ltd., and leased a pharmaceutical manufacturing plant with top-tier infrastructure in Singapore. It represented a milestone of the Company's global drug product CDMO services and further strengthened its global CMC (small molecule CDMO) services network. It was also conducive to carrying out the project in accordance with different regional laws and regulations at the same time, which was more conducive to meeting the strategic

needs of customers in their own regions, so as to provide customers with the best customized services and solutions. The consideration for this financing was a fair and reasonable price recognized by investors, including third independent party professional investment institutions, after careful evaluation. There was no situation that harmed the interests of the company and its small and medium-sized shareholders.

The Company convened the fifth meeting of the third session of the Board of Directors and the fifth meeting of the third session of the Supervisory Committee on December 22, 2023, considered and approved the resolution on participating in private equity investment funds and connected transactions, the Company would like to participate in Ningbo Yongxin Kangjun Entrepreneurship Investment Partnership Enterprise (Limited Partnership), which is jointly invested by Bayland Capital (Beijing) Co., Ltd, a connected party, as a general partner, and Beijing Xinyuan Zhikang Enterprise Management Consulting Partnership (Limited Partnership), a connected party, as a special limited partner, with a contribution of RMB280 million from the Company's own funds as a limited partner. By participating in the investment fund, the Company relies on the ability and experience of the professional investment institutions of the partners of the investment fund, fully utilizes the ability of each party to collect and judge projects in the industry, amplifies the Company's investment capacity, reduces the risk of the Company's industry mergers and acquisitions, positively grasps good opportunities in the development of the industry, accelerates the realization of the Company's strategic objectives and enhances the Company's future profitability. It will not have a significant adverse impact on the financial and operating conditions of the Company, and there is no situation that will harm the interests of the Company and small and medium-sized shareholders.

(VI) External guarantee of the Company and funds occupied by related parties

After verification, in the view of the Supervisory Committee: during the reporting period, there was no violation of guarantee and overdue guarantee of the Company, and no related party occupied the Company's funds.

(VII) Information disclosure of the Company

During the reporting period, the Supervisory Committee has examined the internal reporting of material information, the preparation and submission of information disclosure to the Board of Directors and the Supervisory Committee, and the completion of information disclosure. The Supervisory Committee considered that: the material information was disclosed in a timely manner. The Company Strictly abide by the requirements of laws and regulations such as the Measures for the Administration of Information Disclosure of Listing Company, the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, as well as, the Information Disclosure Management System of the Company and the Internal Reporting System for Material Information. The information disclosure was true, accurate, complete, timely and fair, and there were no false records, misleading statements, material omissions,

misleading investors, and there is no damage to the interests of the Company and minority shareholders. During the reporting period, the information disclosure of the Company was rated “A” by Shenzhen Stock Exchange.

(VIII) Internal control of the Company

The Company has based on industry characteristics, company scale and actual demands of production and operation conditions, formulated and effectively implemented its Internal Control and Management System, improved its internal control organization, ensured the normal operation of its business activities, prevented operational risks, and protected the asset safety and integrity. The internal control system of the Company was robust, and there were no major defects in the overall internal control of the Company. The Evaluation Report of Internal Control for 2023 truly and objectively reflected the construction and operation of the Company’s internal control system, which conformed to the requirements of relevant national laws and regulations and the Articles of Association.

III. WORK PLAN OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2024

In 2024, the Supervisory Committee will continue to strictly perform the duties entrusted to the Supervisory Committee by the Company Law, the Securities Law and other laws and regulations, urge the Company to further improve the level of standardized operation, improve the corporate governance structure, and work hard to protect the legitimate rights and interests of the Company and shareholders, focus on the following four aspects:

- (I) The Supervisory Committee will strictly follow the Articles of Association, hold regular meetings, and further standardize and improve the daily work. The Supervisory Committee will focus on supervising the operation according to law and urge the Company to further improve the corporate governance structure and improve the level of governance, continue to strengthen the implementation of supervisory functions, keep abreast of the legality and compliance of major decision-making matters and decision-making procedures, and better safeguard the rights and interests of shareholders.
- (II) The Supervisory Committee will strengthen supervision and inspection to prevent operational risks. The Supervisory Committee will supervise the financial operation of the Company by regularly understanding and reviewing the financial reports; Continue to strengthen the supervision of major matters such as the Company internal control, related/connected transactions, diligent and responsible performance of Directors and Senior Management, to prompt the risks found in the supervision, and to report to relevant units and departments if necessary.

- (III) The Supervisory Committee will cooperate with internal and external audit institutions and communicate with them in a timely manner. The Supervisory Committee will strengthen financial accounting audit and management, carefully check financial statements, conduct special checks on important subjects, strengthen risk prevention sense, and promote the further improvement of the financial management level.
- (IV) Supervisors will strengthen self-learning, actively participate in the training organized by the regulatory authorities, comprehensively understand the regulatory information, and improve our professional quality, so as to further enhance the working ability and efficiency of the Supervisory Committee and promote the standardized operation of the Company.

Supervisory Committee of Pharmaron Beijing Co., Ltd.

March, 2024

GUARANTEES QUOTA FOR THE YEAR 2024

The 6th meeting of the third session of the Board of Directors and the 6th meeting of the third session of the Supervisory Committee, were held on 27 March 2024, at which the Proposal on the Forecast of Guarantees Quota For the Year 2024 was considered and approved. The details of the proposal are announced as follows:

I. GUARANTEE OVERVIEW

In order to meet the daily operation and business development funding needs of the Company and its subsidiaries, secure the successful completion of applications made by the Company and its subsidiaries to business related parties (including but not limited to banks, financial institutions and other business partners) for comprehensive bank credit (including but not limited to the applications for RMB or foreign currency liquidity loans, project loans, trade financing, bank acceptance, the L/C, letter of guarantee, bills discounting, factoring, export bill purchase, forward settlement and sale of foreign exchange, derivatives, etc.) and the smooth handling of other business matters. According to the forecasts made by the Company's finance department, in 2024, the Company and its subsidiaries is expected to provide guarantees with total quota of no more than RMB2.3 billion (including equivalent amount in foreign currency, same below), including guarantees provided by the Company for subsidiaries at all levels within the scope of the consolidated financial statements, and mutual guarantees provided by subsidiaries at all levels within the scope of the consolidated financial statements, of which RMB1.8 billion will be provided to wholly-owned subsidiaries, and RMB0.5 billion will be provided to holding subsidiaries with asset-liability ratios of less than 70%.

The guarantee items and related amounts that are still in the guarantee period before the date of the 2023 Annual General meeting shall not be included in the forecasted guarantee quota in 2024. The guarantee methods include but are not limited to guarantee, mortgage, pledge, etc. Subject to the aforesaid limit, the Company may, according to the actual situation, adjust the guarantees quota among eligible guarantee objects (including newly added subsidiaries in the future). It includes the adjustment among wholly-owned subsidiaries, the adjustment between wholly-owned subsidiaries and the holding subsidiaries whose asset-liability ratio is less than 70%, and the adjustment among the holding subsidiaries shall not cross the standard of the asset-liability ratio of 70%.

The details the forecast of guarantees quota for the year 2024 of the Company and controlled subsidiaries in 2024 are as follows:

Guarantor	Secured party	Shareholding proportion of guarantor	Asset-liability ratio of the secured party in the latest period	Guarantee balance up to now (RMB100 million)	Increase in guarantee quota (RMB100 million)	Percentage of guarantee quota over the net assets of the Listed Company in the latest period	Whether Related-party guarantee or not
Pharmaron	Pharmaron (Ningbo) TSP Services CO., Ltd ("Pharmaron Ningbo TSP")	100%	44.19%	1.94	2	1.59%	No
Pharmaron	Pharmaron (Xi'an) Technology Development Co., Ltd. ("Pharmaron Xi'an Technology Development")	100%	63.71%	1.45	2	1.59%	No
Pharmaron	Pharmaron (Beijing) Pharmaceutical Technology Co., Ltd. ("Pharmaron Beijing Pharmaceutical Technology")	100%	69.20%	-	3	2.39%	No
Pharmaron	Pharmaron (Hong Kong) International Limited ("Pharmaron Hong Kong International")	100%	73.80%	38.24	10	7.96%	No
Pharmaron	Pharmaron Shaoxing Co., Ltd. ("Pharmaron Shaoxing")	100%	81.66%	4.17	1	0.80%	No
Pharmaron	Pharmaron (Ningbo) Biologics Co., Ltd. ("Pharmaron Biologics")	88.89%	15.24%	2.20	2	1.59%	No
Pharmaron	Pharmaron (Chengdu) Clinical Services Co., Ltd. ("Pharmaron Clinical")	81.58%	34.05%	1.67	3	2.39%	No

The Company and controlled subsidiaries follow the principle of prudence when providing external guarantees and review and approve external guarantees in strict accordance with relevant laws, regulations and system documents. The proposal on forecast of guarantees quota shall be valid from the date of approval by the 2023 annual general meeting to the date of convening of the 2024 annual general meeting. The above guarantees quota is reusable during effective period. The Board shall propose at the general meeting to authorize the chairman of the Company and his authorized representative to sign the contracts related to the aforesaid guarantee matters. This matter does not involve connected transactions. For the guarantee beyond the above mentioned total guarantees quota, the Company shall carry out the corresponding review procedures in accordance with the specific provisions of the Company Law, the Stock Listing Rules of ChiNext of Shenzhen Stock Exchange, No. 2 Self-Regulatory Guidelines of Shenzhen Stock Exchange for Listed Companies – the Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies Listed on the ChiNext Board.

II. BASIC INFORMATION OF THE SECURED PARTY

1. Pharmaron Ningbo TSP

Name	Pharmaron (Ningbo) TSP Services CO., Ltd
Unified social credit code	91330201MA2CJJYR49
Date of establishment	August 31, 2018
Domicile	Room 203-9, Building No. 2, 290 Xingci First Road, Hangzhou Bay New District, Ningbo, Zhejiang Province
Registered capital (paid-in capital)	RMB500,000,000
Legal representative	Boliang Lou
Business scope	General items: medical research, trial and development; technical services, technical development, technical consulting, technical exchange, technical transfer, technical promotion; leasing of non-residential properties (except for items required to be approved by law, carrying out business activities independently according to law against the business license). Licensed items: technology import and export; goods import and export (approvals from competent authorities shall be obtained for the operation of the activities requiring approval in accordance with the laws. The specific items shall be subject to the approval).
Equity Structure	100% of its equity interests held by the Company
Connected relationship with the Company	Wholly-owned subsidiaries of the Company

Financial data of Pharmaron Ningbo TSP is as follows:

Unit: RMB0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	59,118.36	88,488.03
Total liabilities	10,381.64	39,105.98
Net assets	48,736.72	49,382.05
Revenue	664.34	6,354.58
Total profit	-1,061.97	751.43
Net profit	-796.40	645.33
Total amount related to contingencies	-	-

2. Pharmaron Xi'an Technology Development

Name	Pharmaron (Xi'an) Technology Development Co., Ltd.
Unified social credit code	91611101MAB2T1EW09
Date of establishment	September 28, 2021
Domicile	C066, 10302, 3rd Floor, Zone E, Building BDEF, Airport International Business Center, Airport New City, Xixian New District, Shaanxi Province, P.R. China
Registered capital (paid-in capital)	RMB100,000,000
Legal representative	Boliang Lou
Business scope	General projects: medical research and experimental development; technical services, technology development, technology consulting, technology exchanges, technology transfer, technology promotion; import and export of goods; import and export of technology (in addition to projects subject to approval according to law, with a business license to carry out business activities independently according to law).
Equity Structure	100% of its equity interests held by the Company
Connected relationship with the Company	Wholly-owned subsidiaries of the Company

Financial data of Pharmaron Xi'an Technology Development is as follows:

Unit: RMB0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	11,964.10	27,549.35
Total liabilities	2,007.90	17,550.43
Net assets	9,956.20	9,998.93
Revenue	–	–
Total profit	-58.27	56.97
Net profit	-43.67	42.73
Total amount related to contingencies	–	–

3. Pharmaron Beijing Pharmaceutical Technology

Name	Pharmaron (Beijing) Pharmaceutical Technology Co., Ltd.
Unified social credit code	91110400MA04GDFK29
Date of establishment	October 21, 2021
Domicile	Room 511, 5/F, Building 1, 6 Tai-He Road, Beijing Economic-Technological Development Area, Beijing (Yizhuang Group, High-end Industrial Area of Beijing Pilot Free Trade Zone)
Registered capital (paid-in capital)	RMB100,000,000
Legal representative	Boliang Lou

Business scope	Technology development, technology transfer, technical consultation and technical services for medicinal compounds, chemical drugs, biological products and biotechnology (except human stem cells, genetic diagnosis and treatment technology development and application); import and export of goods, import and export agency, import and export of technology; production of pharmaceutical products (market entities shall independently select business projects and carry out business activities in accordance with the law; pharmaceutical production and projects subject to approval in accordance with the law shall be carried out in accordance with the approved content after obtaining the approval from the relevant authorities; business activities prohibited and restricted by the national and local industrial policies shall not be carried out.)
Equity Structure	100% of its equity interests held by the Company
Connected relationship with the Company	Wholly-owned subsidiaries of the Company

Financial data of Pharmaron Beijing Pharmaceutical Technology is as follows:

Unit: RMB0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	4,147.38	38,238.38
Total liabilities	950.00	26,460.38
Net assets	3,197.38	11,778.00
Revenue	–	3,548.27
Total profit	-3.49	2,095.26
Net profit	-2.62	1,780.62
Total amount related to contingencies	–	–

4. Pharmaron Hong Kong International

Name	Pharmaron (Hong Kong) International Limited
Unified social credit code	2325640
Date of establishment	December 31, 2015
Domicile	22nd Floor, Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong
Registered capital (paid-in capital)	10,000 ordinary shares
Legal representative	Boliang Lou
Business scope	Shareholding by investment
Equity Structure	100% of its equity interests held by the Company
Connected relationship with the Company	Wholly-owned subsidiaries of the Company

Financial data of Pharmaron Hong Kong International is as follows:

Unit: US dollar 0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	80,707.35	104,336.62
Total liabilities	21,499.06	77,005.56
Net assets	59,208.29	27,331.06
Revenue	–	–
Total profit	-1,045.19	228.97
Net profit	-1,045.19	226.76
Total amount related to contingencies	–	–

5. Pharmaron Shaoxing

Name	Pharmaron Shaoxing Co., Ltd.
Unified social credit code	91330604MA2894X91L
Date of establishment	January 3, 2017
Domicile	East Zone, Shangyu Economic and Technological Development Zone, Hangzhou Bay
Registered capital (paid-in capital)	RMB400,000,000
Legal representative	Boliang Lou
Business scope	Licensed items: production of pharmaceuticals; production of veterinary drugs; import of new chemicals; entrusted production of pharmaceuticals; operation of hazardous wastes; production of new chemicals; export and import of pharmaceuticals (items subject to the approval may not be operated until they are approved by relevant departments and the specific operation activities shall be subject to the approval results). General items: manufacturing of basic chemical raw materials (excluding manufacturing of licensed chemicals such as hazardous chemicals); import and export of goods; import and export of technologies; sales of chemical products (excluding licensed chemical products); sales of renewable resources; processing of renewable resources; manufacturing of specialty chemical products (excluding hazardous chemicals); sales of specialty chemical products (excluding hazardous chemicals); medical research and experimental development; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; biochemicals product technology research and development (except for projects subject to approval in accordance with the law, business activities shall be carried out independently by virtue of business licenses).
Equity Structure	100% of its equity interests held by the Company
Connected relationship with the Company	Wholly-owned subsidiaries of the Company

Financial data of Pharmaron Shaoxing is as follows:

Unit: RMB0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	134,561.22	144,565.36
Total liabilities	100,292.04	118,051.25
Net assets	34,269.18	26,514.11
Revenue	2,262.39	10,472.37
Total profit	-7,374.23	-8,736.37
Net profit	-5,532.71	-7,755.07
Total amount related to contingencies	-	-

6. Pharmaron Biologics

Name	Pharmaron (Ningbo) Biologics Co., Ltd.
Unified social credit code	91330201MA2H8JR46W
Date of establishment	October 9, 2020
Domicile	Rooms 109, Building No. 1, 800 Binhai Forth Road, Hangzhou Bay New District, Ningbo, Zhejiang Province
Registered capital (paid-in capital)	RMB3,487,405,209
Legal representative	Boliang Lou

Business scope	General items: medical research, trial and development; technical services, technical development, technical consulting, technical exchange, technical transfer, technical promotion; technology import and export; import and export of goods; rental of non-residential properties (except for items required to be approved by law, carrying out business activities independently according to law against the business license). Licensed items: pharmaceutical production; entrusted production of medicines; technology import and export; goods import and export (approvals from competent authorities shall be obtained for the operation of the activities requiring approval in accordance with the laws. The specific items shall be subject to the approval).
Connected relationship with the Company	A subsidiary of the Company

Equity structure of Pharmaron Biologics is as follows:

Name of shareholder	Shareholding Ratio
Pharmaron	88.89%
Ningbo Kangjun Zhongyuan Equity Investment Partnership (Limited Partnership)	2.20%
Ningbo Yufeng Venture Capital Partnership (Limited Partnership)	0.23%
Bayland Capital (Beijing) Co., Ltd.	0.14%
Other persons	8.54%

Financial data of Pharmaron Biologics is as follows:

Accounting Period	Unit: RMB0'000	
	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	235,629.03	443,862.80
Total liabilities	37,170.53	67,665.61
Net assets	198,458.50	376,197.19
Revenue	0.16	1.71
Total profit	-1,452.93	-17,732.58
Net profit	-1,089.33	-15,277.18
Total amount related to contingencies	-	-

7. Pharmaron Clinical

Name	Pharmaron (Chengdu) Clinical Research Service Co., Ltd.
Unified social credit code	91510100MA6AGA9A02
Date of establishment	May 27, 2021
Domicile	Room 3301, 33/F, Block 2, No. 1199 North Section of Tianfu Avenue, Chengdu Hi-tech Zone, China (Sichuan) Pilot Free Trade Zone
Registered capital (paid-in capital)	RMB701,960,000
Legal representative	Xiaoqiang Lou
Business scope	General items: medical research and experimental development (excluding human stem cells, genetic diagnosis and treatment technology development and application); health consultation services (excluding diagnosis and treatment services); remote health management services; technical services, technology development, technology consulting, technology exchange, technology transfer and technology promotion; data processing services; corporate management consulting; corporate image planning; convention and exhibition services; computer system services; import and export of goods; technology import and export (except for items required to be approved by law, carrying out business activities independently according to law against the business license)
Connected relationship with the Company	A subsidiary of the Company

Equity structure of Pharmaron Clinical is as follows:

Name of shareholder	Shareholding Ratio
Pharmaron	81.58%
Xiamen Long Tai Kang Lin Enterprise Management Partnership (Limited Partnership)	10.11%
Liu Yang	3.41%
Total of other independent third parties	4.90%

Financial data of Pharmaron Clinical is as follows:

Unit: RMB0'000

Accounting Period	For the year 2022/as at December 31 2022	For the year 2023/as at December 31 2023
Total assets	165,573.18	185,790.77
Total liabilities	35,722.20	63,252.80
Net assets	129,850.98	122,537.97
Revenue	8,945.09	45,556.51
Total profit	-6,016.98	-9,823.37
Net profit	-6,016.98	-9,823.37
Total amount related to contingencies	–	–

The aforesaid guaranteed companies have good credit rating and no overdue loans, and none of them is a dishonest person subject to enforcement.

III. CONTENTS OF GUARANTEE AGREEMENT

This guarantee project is designed to predetermine the expected guarantee amount in the next 12 months, and the relevant agreement has not been signed. When the actual loan and guarantee occur, the guarantee amount, guarantee period, guarantee rate and other contents shall be determined by the Company and its related subsidiaries through negotiation with the lending bank and other financial institutions within the above limit, and relevant contracts shall be signed. The relevant guarantee matters shall be subject to the duly signed guarantee document, and the above guarantee limit can be reused.

IV. OPINIONS OF THE BOARD OF DIRECTORS

The capital arrangement and actual demand of the subsidiaries in 2024 have been taken into full account for this guarantee project, which is conducive to making full use of and flexibly allocating the Company's resources, solving the capital needs of the subsidiaries and improving the decision-making efficiency of the Company. The guarantee objects hereunder include wholly-owned subsidiaries and partly-owned subsidiaries. The risks in connection with the guarantees provided for the aforesaid wholly-owned subsidiaries and controlled subsidiaries are within the scope of control of the Company, which conforms to the overall interests of the Company and does not harm the interests of the Company and the investors. Other shareholders of the controlled subsidiaries, Pharmaron Clinical have not provided corresponding guarantees in proportion to their shareholdings, which is mainly because the Company holds 88.89% of the equity interest of Pharmaron Biologics and holds 81.58% of the equity interest of Pharmaron Clinical, so that the Company has the power to control the decision-making in major events and daily operation and management, as well as effectively supervise and manage the operations of Pharmaron Clinical. Besides, Pharmaron Biologics and Pharmaron Clinical are in a stable financial position, with good credit standing and the ability

to discharge its debts, and the financial risk in connection with the guarantees provided by the Company to them is within the control, and there is no situation that damages the interests of the Company and its shareholders. This guarantee project does not involve counter-guarantee. The board of directors made a comprehensive assessment on the asset quality, operating conditions, industry prospects, solvency and credit status of each secured party, and concluded that the secured party is in good operating conditions, has sufficient funds and has the ability to repay debts. Therefore, the board of directors approved the resolution on estimated guarantees quota for the year 2024, and it shall be submitted to the general meeting for consideration.

V. TOTAL NUMBER OF EXTERNAL GUARANTEES AND OVERDUE GUARANTEES

After the guarantees hereunder becoming effective, the total amount of guarantee quota for the listed company and its controlled subsidiaries is RMB8,288.46 million, accounting for 66.01% of the audited net assets of the Company during the latest period. As of December 31 2023, the actual external guarantee balance of the Company and its subsidiaries amounted to RMB4,966.19 million (all guarantees were provided by the Company for the subsidiaries within the scope of the consolidated financial statements), accounting for 39.55% of the audited net assets of the Company in the latest period. The Company and its subsidiaries have no overdue external guarantee, no guarantee in relation to litigation or guarantee for the damages due to a losing judgment, and no guarantee for shareholders, actual controllers and their affiliates.

FOREIGN EXCHANGE HEDGING QUOTA FOR THE YEAR 2024

Important notice:

1. **Purpose, categories and amount of the transactions:** In order to hedge the risk of exchange rate fluctuations of foreign currencies against the RMB, the Company and its subsidiaries propose to carry out hedging products (including forward exchange business, swap business, foreign exchange option and other financial derivatives) transaction business. According to the Company's export income, overseas business scale, overseas financing and the practice of the peer companies, the Company and its subsidiaries expect to carry out hedging product transactions with a cap of USD1 billion or other equivalent foreign currencies in 2024. The above transaction amount can be recycled during the investment period and the transaction amount (including the amount related to the re-trading of the proceeds from hedging products transactions) at any timepoint during the investment period shall not exceed such transaction amount.
2. **Review procedures:** On March 27, 2024, the Company convened the 6th meeting of the third session of the Board of Directors and the 6th meeting of the third session of the Supervisory Committee, at which the Resolution on the Confirmation of the Hedging Product Transaction for the Year of 2023 and Estimated Hedging Product Transaction Quota for the Year of 2024 was considered and approved, and such matter shall be subject to the approval at the general meeting of the Company.
3. **Risk warning:** The Company follows the principle of prudence. All hedging business is based on normal production and operation, relies on specific business operations, with the purpose of hedging and preventing exchange rate risks. However, hedging business has certain risks, therefore investors are advised to take caution of investment risks.

I. OVERVIEW**1. Investment purpose**

In view of the company's current high level of international business, in recent years, the high volatility of the exchange rate of foreign currencies (e.g. the U.S. dollar) against the RMB has a certain impact on the Company's financial position. In order to hedge the risk of exchange rate fluctuations of foreign currencies against the RMB, prevent the adverse effects of significant exchange rate fluctuations on the Company, improve the efficiency of capital use and enhance financial soundness, it is necessary for the Company and its subsidiaries to make full use of hedging instruments to reduce exchange loss, so as to avoid the risks of exchange rate fluctuations in the foreign exchange market.

The Company has formulated the Futures and Derivatives Trading Business Management System, which stipulated that the accounting department, internal control and internal audit department, securities division and all subsidiaries shall conduct end-to-end supervision on the hedging products transactions based on their respective duties and designate professionals for the hedging business, and the organizations with which it works are all financial institutions with sound reputation and strict risk control measures. In a word, the targeted risk control measures taken by the Company are practicable and conducting hedging business is feasible.

Without prejudicing against the development of the principal business of the Company and reasonable arrangement of usage of funds, the Company and its subsidiaries intends to conduct foreign hedging product transactions at the right time. The business categories of hedging products include forward exchange business, swap business, foreign exchange option and other financial derivatives trading business, which are mainly denominated in US dollars. The risks to be hedged by foreign exchange hedging transaction in 2024 include exchange rate risk and interest rate risk, etc., which is expected to include the exchange rate risk of export earnings denominated in US dollars and corresponding receivables, the foreign exchange risk of the balance sheet, the exchange rate risk of foreign currency loans and receivables and payables and the interest rate risk of floating-rate borrowings, etc.

2. Transaction amount

According to the Company's export income, overseas business scale, overseas financing and the practice of the peer companies, the Company and its subsidiaries expect to carry out hedging product transactions with a cap of USD1 billion or other equivalent foreign currencies in 2024. The above transaction amount can be recycled during the transaction period and the transaction amount (including the amount related to the re-trading of the proceeds from hedging products transactions) at any timepoint during the investment period shall not exceed such transaction amount.

3. Transaction method

The business categories of the hedging products that the Company proposes to carry out at home and abroad are: forward foreign exchange business, swap business, foreign exchange options and other financial derivatives trading business, which were mainly denominated in US dollars. The counterparties are large and medium-sized commercial banks with relevant hedging business qualifications at home and abroad. The main purpose of the relevant hedging business to be carried out overseas is to control the exchange rate risk of accounts receivable, the foreign exchange risk of the balance sheet, and foreign exchange and interest rate exposure and other risks involved in overseas foreign currency financing.

4. Term of transaction

The transaction shall be valid from the date of approval at the 2023 annual general meeting to the date of convening of the 2024 annual general meeting.

5. Fund source

The fund source is the Company's own funds. There is no direct or indirect use of the proceeds from the A Share Offering and bank borrowings to engage in the business.

II. REVIEW PROCEDURES

On March 27, 2024, the Company convened the 6th meeting of the third session of the Board of Directors and the 6th meeting of the third session of the Supervisory Committee, at which the Resolution on the Confirmation of the Hedging Product Transaction for the Year of 2023 and Estimated Hedging Product Transaction Quota for the Year of 2024 was considered and approved, and such matter shall be subject to the approval at the general meeting of the Company. There is no connected relationship between the Company and its subsidiaries and the financial institutions providing hedging products.

When the hedging business actually occurs, it is proposed to the general meeting to authorize the Company and its subsidiaries to jointly negotiate with relevant financial institutions to determine the transaction volume, transaction amount, transaction contract term, performance guarantee, trading leverage ratio, liquidity arrangement, settlement principle, payment method, liability for breach of contract within the above limit, and to authorize the chairman of the Company and its authorized representative to sign relevant contracts of the above transaction. The relevant hedging business matters shall be subject to the official signed documents.

III. TRANSACTION RISK ANALYSIS AND RISK CONTROL MEASURES**1. Risk analysis**

The Company follows the principle of prudence. All hedging business is based on normal production and operation, relies on specific business operations, with the purpose of hedging and preventing exchange rate risks. However, hedging business has certain risks, mainly including:

- (1) Market risk: in the event that the trend of foreign exchange rates deviates from the Company's judgment, the cost of the Company's foreign exchange hedging business may exceed expectations, resulting in losses to the Company.
- (2) Liquidity risk: on one hand, due to incomplete and asymmetrical market information of foreign exchange hedging business and lack of deep secondary trading market, the liquidity of products in the market is insufficient; on the other hand, the foreign exchange hedging business market is a one-on-one personalized contract, which is due for settlement, and inherently creates the risk of poor liquidity.

- (3) Credit risk: the counterparties of the foreign exchange hedging transactions default and fail to pay the Company's hedging profits as agreed, which will not be able to hedge the actual exchange losses of the Company, and will cause losses to the Company.
- (4) Operational risk: the foreign exchange hedging business is highly professional and complex, which may cause losses in the process of foreign exchange hedging business due to employee's operational errors, system failures and other reasons.
- (5) Legal risk: in the course of foreign exchange hedging business, the legal risk arising from the signing of contracts by the Company.

2. Risk control measures

- (1) The Company has assigned professionals to manage the transaction of the hedging products, to conduct financial management and risk control development, and has formulated the Futures and Derivatives Trading Business Management System, which clearly defines the operational rules, approval and licensing rights, decision-making procedures, operational process, follow-up management, information isolation measures, internal risk control measures and information disclosure of foreign exchange hedging business.
- (2) In order to control the market risk, the Company will strengthen its research and analysis of exchange rates, pay attention to changes in the international and domestic market environment in real time, adhere to the principle of foreign exchange risk neutrality, adjust its operation strategies in a timely manner, so as to maximize the prevention of exchange rate fluctuations on the Company's adverse effects.
- (3) In order to reduce liquidity risk, the Company tries to shorten the contract period and carry out foreign exchange hedging business for many times in the short term.
- (4) In order to control credit risk, the Company only conducts foreign exchange hedging business with financial institutions such as banks with relevant business qualifications to ensure the legality of the Company's financial derivatives trading management.
- (5) In order to control the foreign currency financing and overseas investment foreign currency exposure risks, the Company intends to carry out derivatives and relevant hedging business with overseas large international commercial banks with relevant business qualifications, mainly for the purpose of preventing the adverse impact of fluctuation in overseas foreign exchange and interest rate market on the Company. Such transactions prohibit speculation and arbitrage with the single purpose of protecting and avoiding contingent foreign exchange and floating interest rate exposure. As the Company has fully understood the risks of carrying out derivatives

and hedging business overseas and counterparties' credit risk, it will act in strict compliance with the business rules and regulations, and conduct business activities in view of specific business and risk exposure by upholding the prudent risk-neutral principle. The political, economy and legal risks of the overseas countries and regions where we propose to conduct business are controllable.

- (6) In order to prevent operational risks, all foreign exchange transactions of the Company are for the purpose of hedging and preventing exchange rate risks, no speculative and arbitrage transactions are allowed, and operations are conducted in strict accordance with the provisions of the Futures and Derivatives Trading Business Management System to effectively ensure the implementation of the system. The Company's internal control and internal audit department regularly audits the actual operation, use of funds and profit and loss of foreign exchange hedging business, and verifies whether transactions and information disclosure are performed in accordance with the relevant internal control system.
- (7) In order to prevent legal risks, the Company will review the legal status and trading qualifications of counterparties to prevent legal risks during the process of signing contracts.

IV. TRANSACTION RELATED ACCOUNTING TREATMENT

The hedging business conducted by the Company and its subsidiaries can fully utilize hedging instruments to reduce or avoid exchange rate risks arising from exchange rate fluctuations, reduce exchange losses and control operating risks. In accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 24 – Hedge Accounting, the Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, the Accounting Standards for Business Enterprises No. 39 – Fair Value Measurement and other relevant regulations and guidelines issued by the Ministry of Finance, the Company conducts corresponding accounting treatment for the foreign exchange hedging business that has been carried out, and conducts accounting treatment for the hedging business in accordance with the Hedge Accounting, reflecting the relevant items in the balance sheet and profit and loss statement.

V. OPINIONS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee believes that conducting foreign exchange hedging business is to effectively avoid and guard against the risk brought by fluctuation in foreign exchange rate by making full use of foreign exchange hedging instruments, and the Company has formulated the Futures and Derivatives Trading Business Management System, improved relevant internal control system, and adopted targeted risk control measures, without prejudicing against the interests of the Company and all the shareholders, especially the minority shareholders. Therefore, we agree such matter.

PROPOSED GRANT OF GENERAL MANDATE TO ISSUE H SHARES

In order to meet the need of the Company's business development, consolidate its leading position in the field of pharmaceutical research and development services and further enhance its capital and comprehensive strength, in accordance with the Company Law of the PRC and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association, the Board of Directors intends to propose the general meeting to generally and unconditionally authorize the Board of Directors to, or to re-delegate to the Chairman and its authorized persons to determine to allot, issue and deal with the H shares not exceeding 3.37% of the total share capital of the Company when the resolution is considered and approved at the general meeting, or securities which may be converted into such shares, share options, warrants, or the similar rights to subscribe for the H shares of the Company (hereinafter referred to as the "Similar Rights", and the above-mentioned authorization is hereinafter referred to as the "General Mandate"). The specific authorization is as follows:

- I. To generally and unconditionally authorize the Board of Directors to, or to re-delegate to the Chairman and its authorized persons to determine to allot, issue and deal with the H Shares or similar rights, and to determine the Terms and Conditions for allotment, issuance and disposal of new shares or issue similar rights, including but not limited to:
 1. Class and number of new shares to be issued;
 2. Pricing mechanism and/or issue price of the new shares to be issued (including price range);
 3. The starting and closing dates of such issue;
 4. The class and number of the new shares to be issued to existing shareholders; and/or
 5. To make or authorize the share offer, agreements, share options, conversion rights or other rights that may require the exercise of such rights.
- II. The number of the H Shares (excluding the shares issued by way of the conversion of public reserve into share capital) to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board of Directors or the Chairman and its authorized persons in accordance with the General Mandate referred to in first paragraph above shall not exceed 3.37% of the total share capital of the Company when the resolution is considered and approved at the general meeting.

- III. Where the Board of Directors or the Chairman and its authorized persons have, during the effective period of the General Mandate specified in the fifth paragraph of this resolution, determined to allot, issue and deal with the H shares or similar rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the Chairman and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance and disposal of such shares.
- IV. To authorize the Board of Directors or the Chairman and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the Company Law of the PRC, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited), and to exercise the General Mandate in compliance with the relevant restrictions on the general authorization.
- V. The effective period of the General Mandate shall be from the passing of this resolution at the general meeting to the following date, whichever is earlier:
1. from the date when this resolution is passed at the general meeting of the Company until the expiry of 12 months since then;
 2. the date of conclusion of the 2024 annual general meeting of the Company; or
 3. at the time of passing a special resolution by the shareholders of the Company at the general meeting to revoke or vary the General Mandate under this resolution.
- VI. To authorize the Board of Directors or the Chairman and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the allotment, issuance and disposal of any new shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.
- VII. To authorize the Board of Directors or the Chairman and its authorized persons to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association in accordance with the way, type and number of the allotment and issuance of new shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new shares.

Due to various factors such as fluctuations in the capital market, the current share price of the **Company** fails to effectively reflect its actual value and business performance. Based on the expectation of the Company's future development prospects, and in order to maintain the Company's value and protect the rights and interests of its shareholders, while complying with the requirements of the public float, in accordance with the requirements of PRC Company Law and other relevant laws and regulations, the listing rules of the stock exchanges in the place where the shares of the Company are listed and the Articles of Association of Pharmaron Beijing Co., Ltd. (the "**Articles of Association**"), the Board of Directors of the Company intends to propose at the AGM to generally and unconditionally authorize the Board of Directors to, or to re-delegate to the chairman of the Board and its authorized persons, to determine to repurchase and deal with up to 5% of the number of the Company's H shares in issue (excluding any treasury H shares) at the time of the AGM, or securities which may be converted into such shares, share options, warrants, or the similar rights to subscribe for the H shares of the Company (hereinafter referred to as the "**Similar Rights**", and the above-mentioned authorization is hereinafter referred to as the "**Repurchase Mandate**"). The specific authorization is as follows:

- I. Generally and unconditionally authorize the Board of Directors to, or to re-delegate to the chairman of the Board and its authorized persons, to determine the terms and conditions for the repurchase and disposal of H shares or Similar Rights, including but not limited to:
 1. Formulate and implement the specific repurchase plans, including but not limited to repurchase price and number of repurchased shares, and determine the time and duration of repurchase, etc.;
 2. Notify creditors and issue announcements in accordance with the requirements of the relevant laws, regulations, normative documents and the Articles of Association;
 3. Carry out the relevant approval and filing procedures as required by regulatory authorities and the stock exchanges in the place where the shares of the Company are listed;
 4. Carry out, execute and implement all such documents, do all such acts and things or take any steps as they consider desirable, necessary or expedient in connection with and to give effect to the repurchase of shares in accordance with the requirements of relevant laws and regulations and the listing rules of the stock exchanges in the place where the shares of the Company are listed;

5. Hold the repurchased H shares as treasury shares, and engage in activities permitted by the listing rules of the stock exchanges in the place where the shares of the Company are listed, such as reselling the treasury H shares or using them to pay for share incentive schemes, and carry out the relevant statutory registrations and filings procedures at home and abroad; and
 6. Execute and handle other documents and matters related to the repurchase of shares.
- II. The number of H shares to be repurchased and dealt with by the Board of Directors to, or to re-delegate to the chairman of the Board and its authorized persons in accordance with the Repurchase Mandate referred to in the first paragraph above shall not exceed 5% of the number of the Company's H shares in issue (excluding any treasury H shares) at the time of the AGM.
- III. Where the Board of Directors or the chairman of the Board and its authorized persons have, during the effective period of the Repurchase Mandate specified in the fifth paragraph of this resolution, determined to repurchase and deal with H shares or Similar Rights, and the Company also has, during the effective period of the Repurchase Mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board of Directors of the Company or the chairman of the Board and its authorized persons may, during the effective period of such approval, permission or registration, complete the relevant repurchase and disposal of such shares.
- IV. To authorize the Board of Directors or the chairman of the Board and its authorized persons to obtain an approval from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the PRC Company Law, the Listing Rules and the Shenzhen Listing Rules) to exercise the Repurchase Mandate.
- V. The effective period of the Repurchase Mandate shall be from the passing of this resolution to the following date, whichever is earlier:
1. From the date when this resolution is passed at the general meeting of the Company until the expiry of 12 months since then;
 2. The date of conclusion of the 2024 annual general meeting of the Company; or
 3. At the time of passing a special resolution by the shareholders of the Company at the general meeting to revoke or vary the Repurchase Mandate under this resolution in accordance with the Articles of Association or other means.

- VI. To authorize the Board of Directors or the chairman of the Board and its authorized persons to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the repurchase and disposal of any H shares under the abovementioned Repurchase Mandate, handle the necessary procedures and take other necessary actions.
- VII. To authorize the Board of Directors or the chairman of the Board and its authorized persons to reduce the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association in accordance with the way, type and number of the repurchase of H shares of the Company and the actual shareholding structure of the Company upon completion of the repurchase of H shares.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolutions to be proposed at the 2023 AGM, the H Share Class Meeting and the A Share Class Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued H share capital of the Company comprised of 301,537,125 H Shares. Subject to the passing of the special resolutions set out in the 2023 AGM, the H Share Class Meeting and the A Share Class Meeting in respect of the granting of the Repurchase Mandate and on the basis that the issued H share capital of the Company remains unchanged on the date of the 2023 AGM, i.e., 301,537,125 H Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the Relevant Period (as defined below), a total of 15,076,856 H Shares, representing 5% of the total number of H Shares in issue as at the date of the 2023 AGM, respectively. The exercise of the Repurchase Mandate is further subject to:

- (i) the obtainment of an approval from all relevant regulatory authorities having jurisdiction over the Company (if applicable) as required by the laws, regulations and rules of the PRC; and
- (ii) the Company not being required by any of its creditors to repay or to provide guarantees in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, at its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedures under the PRC Company Law and the Articles of Association of the Company. If the Company determines to repay any amount to any of its creditors, the Company will do so out of its internal funds.

The effective period of the Repurchase Mandate shall be from the passing of this resolution to the following date, whichever is earlier:

1. From the date when this resolution is passed at the general meeting of the Company until the expiry of 12 months since then;
2. The date of conclusion of the 2024 annual general meeting of the Company; or
3. At the time of passing a special resolution by the shareholders of the Company at the general meeting to revoke or vary the Repurchase Mandate under this resolution in accordance with the Articles of Association or other means.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that a general authority from the Shareholders to enable the Company to repurchase its H shares is to effectively reflect its actual value and business performance in its share price, to safeguard and protect the long-term interests of the Shareholders and to ensure the sustainable operations and healthy development of the Company.

Subject to the Listing Rules and other applicable laws and regulations, the Company currently intends to cancel any H Shares that are repurchased.

3. FUNDING OF SHARE REPURCHASE

In repurchasing its H Shares, the Company intends to apply funds from its internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with its Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

Any repurchase of the Shares by the Company may only be made out of the funds of the Company that would otherwise be available for dividend or distribution. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the Latest Practicable Date as these will depend on whether the Shares are purchased or acquired out of capital or profits, the number of shares purchased or acquired and the price at which such Shares were purchased or acquired. There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Repurchase Mandate is to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Hong Kong Stock Exchange during the previous twelve months prior to the Latest Practicable Date are as follows:

Month	H Share Prices	
	Highest HK\$	Lowest HK\$
2023		
May	23.933	19.267
June	20.267	15.567
July ⁽¹⁾	20.25	15.6
August	20.4	17.06
September	19.26	16.44
October	20.4	16.08
November	22.2	18.32
December	18.5	14.6
2024		
January	15.4	10.12
February	10.54	9
March	11.46	9.27
April	9.99	8.39
May (up to the Latest Practicable Date)	10.48	9.87

Note:

- (1) The actual closing price of the Company's H Shares on July 14, 2023 was HKD26.65. Due to the 2022 Capitalization of Reserve and the 2022 Profit Distribution, the closing price of the Company's H Shares on July 14, 2023 was adjusted to HKD17.767 immediately prior to the commencing of trading on the next trading date.

6. GENERAL

To the best of knowledge of the Directors and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to repurchase H Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the PRC. The Directors confirm that neither this explanatory statement nor the proposed share repurchase has any unusual features.

7. TAKEOVERS CODE

If as a result of a repurchase of H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, the Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

To the best knowledge of the Company, having taking into account the voting rights held or controlled by the Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei as at the Latest Practicable Date, the Directors consider that the increase in aggregate control over the voting rights of the Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei in the event that the Directors exercise the proposed Repurchase Mandate in full would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Under the Administration of the Takeover of Listed Companies Procedures 《(上市公司收購管理辦法)》 in the PRC, where the repurchase of shares from specific shareholders by a listed company according to the determined price approved by the general meeting of shareholders results in reduction of share capital, thereby rendering the equity held by the investor in the company exceeding 30% of the issued shares of that company, the investor is exempted from making a tender offer. In the event of any intention to increase the shareholding by means other than tender offer, a general tender offer shall be sent out. Therefore, where the Repurchase Mandate is exercised in full and the aggregate control over voting rights of Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei would be increased to approximately 19.42%, Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei will have no obligation to extend general tender offer to other shareholders.

Save as disclosed above, the Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate.

Further, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Hong Kong Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

As disclosed in the announcement of the Company dated April 25, 2024, in order to safeguard the value of the Company and the interests of shareholders of the Company, enhance investor's confidence, and comprehensively taking into account the Company's financial conditions, future development and reasonable valuation levels and other factors, the Board has approved the plans to repurchase no less than RMB200 million (inclusive) and no more than RMB300 million (inclusive) worth of A Shares listed on the Shenzhen Stock Exchange (the "**Repurchase Plan**").

Pursuant to the Repurchase Plan, the Company repurchased 250,000 A Shares through bidding on the Shenzhen Stock Exchange at an average price of RMB19.95 per A Share on May 8, 2024.

Save as disclosed above, during the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Hong Kong Stock Exchange, Shenzhen Stock Exchange or otherwise).

Before Amendment	After Amendment
Article 6 The registered capital of the Company is RMB1,191,154,804 .	Article 6 The registered capital of the Company is RMB1,786,732,206 .
Article 22 The shareholding structure of the Company is: 1,191,154,804 ordinary shares, including 990,130,054 shares held by holders of domestic-listed domestic shares, and 201,024,750 shares held by holders of H shares.	Article 22 The shareholding structure of the Company is: 1,786,732,206 ordinary shares, including 1,485,195,081 shares held by holders of domestic-listed domestic shares, and 301,537,125 shares held by holders of H shares.

Before Amendment	After Amendment
<p>Article 1 These Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “Company Law”), the Securities Law of the People’s Republic of China (中華人民共和國證券法) (the “Securities Law”), the Special Provisions of the State Council on the Overseas Offering and Listing of Shares by the 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) (the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款) (the “Mandatory Provisions”), the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (關於到香港上市對公司章程作補充修改的意見的函) (the “Letter of Opinions on Amendments”), the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97) (國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆(國函[2019]97號)), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant provisions, to safeguard the legitimate rights and interests of Pharmaron Beijing Co., Ltd. (the “Company”), its shareholders and creditors, and to regulate the organization and activities of the Company.</p>	<p>Article 1 These Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “Company Law”), the Securities Law of the People’s Republic of China (中華人民共和國證券法) (the “Securities Law”), the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises 《(境內企業境外發行證券和上市管理試行辦法)》, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), Shenzhen Stock Exchange ChiNext Listing Rules 《(深圳證券交易所創業板股票上市規則)》, and other relevant provisions of other laws, regulations and normative documents to safeguard the legitimate rights and interests of Pharmaron Beijing Co., Ltd. (the “Company”), its shareholders and creditors, and to regulate the organization and activities of the Company.</p>
<p>Article 6 The registered capital of the Company is RMB1,786,732,206.</p>	<p>Article 6 The registered capital of the Company is RMB1,787,394,297.</p>

Before Amendment	After Amendment
<p>Article 10 The Articles of Association shall come into force from the date on which they were considered and passed at the shareholders’ general meeting of the Company. The original Articles of Association of the Company shall automatically expire upon the effective date of the Articles of Association.</p> <p>The Articles of Association shall, from the date when it comes into force, constitute a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and each shareholder and among the shareholders, and shall be binding on the Company and its shareholders, directors, supervisors and members of senior management. All aforementioned persons shall be entitled to claim their rights regarding matters related to the Company in accordance with the Articles of Association. Shareholder may sue other shareholders, and shareholders may sue directors, supervisors, managers and other senior management of the Company. Shareholders may sue the Company and the Company may sue the shareholders, directors, supervisors, managers and other senior management according to the Articles of Association.</p> <p>For the purpose of the foregoing paragraph, “sue” includes the initiation of proceedings in a court or the application for arbitration to an arbitration institution.</p>	<p>Article 10 The Articles of Association shall come into force from the date on which they were considered and passed at the shareholders’ general meeting of the Company. The original Articles of Association of the Company shall automatically expire upon the effective date of the Articles of Association.</p> <p>The Articles of Association shall, from the date when it comes into force, constitute a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and each shareholder and among the shareholders, and shall be binding on the Company and its shareholders, directors, supervisors and members of senior management. Shareholders may sue other shareholders, and shareholders may sue directors, supervisors, managers and other senior management of the Company. Shareholders may sue the Company and the Company may sue the shareholders, directors, supervisors, managers and other senior management according to the Articles of Association.</p>
<p>Article 15 The stocks of the Company shall take the form of shares. The Company shall have ordinary shares at all times. Ordinary shares issued by the Company include domestic shares and foreign shares. If required, upon approval by the company approval authorities delegated by the State Council, the Company may create shares of other classes according to the requirements of relevant laws and administrative rules.</p>	<p>Article 15 The stocks of the Company shall take the form of shares.</p>

Before Amendment	After Amendment
<p>Article 16 The Company may, with approval from the securities regulatory authorities under the State Council, issue shares to domestic and overseas investors.</p> <p>For the purpose of the preceding paragraph, the term “overseas investors” shall refer to investors from foreign countries or Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company. The term “domestic investors” shall refer to investors inside the People’s Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.</p>	<p>Deleted</p>
<p>Article 17 The shares issued by the Company to domestic investors for subscription in RMB shall be referred to as domestic shares. The shares issued by the Company to overseas investors for subscription in foreign currency shall be referred to as foreign shares. The shares listed overseas shall be referred to as overseas-listed foreign shares.</p> <p>The foreign currency referred to in the preceding paragraph is a legal currency (other than RMB) of other countries or regions which is recognized by the foreign exchange administration authority of the State and can be used for payment of the Company’s shares.</p> <p>The Company’s overseas-listed foreign shares listed in Hong Kong refer to shares approved to be listed on the Hong Kong Stock Exchange, denominated in RMB and subscribed for and traded in Hong Kong dollars.</p> <p>Both holders of domestic shares and overseas-listed foreign shares are holders of ordinary shares, and have the same rights and obligations.</p>	<p>Deleted</p>
<p>Article 19 All the shares issued by the Company shall have a par value, denominated in RMB which shall be RMB1 for each share.</p>	<p>Article 17 All the shares issued by the Company shall be denominated in RMB.</p>

Before Amendment	After Amendment
<p>Article 20 The domestic shares issued by the Company shall be collectively deposited with China Securities Depository and Clearing Corporation Limited Shenzhen Branch. The overseas-listed foreign shares issued by the Company are mainly deposited at the custodian company of Hong Kong Securities Clearing Company Limited. Upon the completion of overseas offering and listing of the Company's shares, domestic shareholders of the Company may transfer shares of the Company held by them to overseas investors and they may convert shares of the Company held by them to overseas-listed shares upon approvals of the State Council or its securities regulatory authorities. Listing and trading of such shares on overseas stock exchange(s) shall also comply with the regulatory procedures, provisions and requirements of overseas securities market(s). No shareholder's class meeting for voting is required in respect of the aforementioned shares to be listed and traded in overseas stock exchanges under the aforementioned circumstance. Domestic shares held by the Company's shareholders will be converted to overseas-listed shares after obtaining the approval for overseas listing and trading. Domestic shares shareholders and foreign shares shareholders, being holder of ordinary shares of the Company shall enjoy equal rights in the distribution of dividends or distributions in any other forms. The Company shall not impair any right attached to the shares they hold by reason that they have not disclosed their interest to the Company.</p>	<p>Article 18 The domestic-listed domestic shares ("A Shares") issued by the Company shall be collectively deposited with China Securities Depository and Clearing Corporation Limited Shenzhen Branch. The overseas-listed foreign shares issued by the Company are mainly deposited at the custodian company of Hong Kong Securities Clearing Company Limited. Upon the completion of overseas offering and listing of the Company's shares, domestic shareholders of the Company may transfer shares of the Company held by them to overseas investors and they may convert shares of the Company held by them to overseas-listed shares upon approvals of the State Council or its securities regulatory authorities. Listing and trading of such shares on overseas stock exchange(s) shall also comply with the regulatory procedures, provisions and requirements of overseas securities market(s). No shareholder's class meeting for voting is required in respect of the aforementioned shares to be listed and traded in overseas stock exchanges under the aforementioned circumstance. Domestic shares held by the Company's shareholders will be converted to overseas-listed shares after obtaining the approval for overseas listing and trading. Domestic shares shareholders and foreign shares shareholders, being holder of ordinary shares of the Company shall enjoy equal rights in the distribution of dividends or distributions in any other forms. The Company shall not impair any right attached to the shares they hold by reason that they have not disclosed their interest to the Company.</p>

Before Amendment	After Amendment
<p>Article 22 The shareholding structure of the Company is: 1,786,732,206 ordinary shares, including 1,485,195,081 shares held by holders of domestic-listed domestic shares, and 301,537,125 shares held by holders of H shares.</p>	<p>Article 20 The shareholding structure of the Company is 1,787,394,297 ordinary shares, including 1,485,857,172 shares held by holders of A Shares, and 301,537,125 shares held by holders of H shares.</p>
<p>Article 23 Subject to the approval of the Company's plans for issuing overseas-listed foreign shares and domestic shares by the securities regulatory authorities of the State Council, the board of directors of the Company may arrange for implementation of such plan by separate issues. The Company may separately implement its plan for issuing overseas-listed foreign shares and domestic shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval of the securities regulatory authorities of the State Council or within the period stipulated by the relevant applicable regulations.</p>	<p>Deleted</p>
<p>Article 24 Where the Company issues overseas-listed foreign shares and domestic shares respectively within the total number of shares specified in the issue plan, the respective shares shall be fully subscribed for in one go. Where it is impossible for respective shares to be fully subscribed for in one go under exceptional circumstances, the shares may be issued in several tranches subject to the approval of the securities regulatory authorities of the State Council.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 26 Based on its operation and development requirements, in accordance with the relevant laws and regulations, and subject to the resolution at the general meeting, the Company may increase its capital by any of the following methods:</p> <p>(I) Public offering of shares;</p> <p>(II) Non-public offering of shares;</p> <p>(III) Placing new shares to its existing shareholders;</p> <p>(IV) Issuing bonus shares to its existing shareholders;</p> <p>(V) Capitalizing its capital common reserve;</p> <p>(VI) Any other means permitted by laws, administrative regulations and the relevant regulatory authorities.</p> <p>The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association and the listing rules of the place where the Company's shares are listed, be conducted in accordance with the procedures stipulated in the relevant laws, administrative regulations and departmental regulations of the PRC and the listing rules of the place where the Company's shares are listed.</p>	<p>Article 22 Based on its operation and development requirements, in accordance with the relevant laws and regulations, and subject to the resolution at the general meeting, the Company may increase its registered capital by any of the following methods:</p> <p>(I) Public offering of shares;</p> <p>(II) Non-public offering of shares;</p> <p>(III) Placing new shares to its existing shareholders;</p> <p>(IV) Issuing bonus shares to its existing shareholders;</p> <p>(V) Capitalizing its capital common reserve;</p> <p>(VI) Any other means permitted by laws, administrative regulations and the relevant regulatory authorities.</p> <p>The Company's increase of registered capital by issuing new shares in the aforesaid manner shall be approved in accordance with the provisions of the Articles of Association and the listing rules of the place where the Company's shares are listed, be conducted in accordance with the procedures stipulated in the relevant laws, administrative regulations and departmental regulations of the PRC and the listing rules of the place where the Company's shares are listed.</p> <p>If the Company increases its registered capital in accordance with the provisions of item (I) of this Article, it shall not issue preferred shares convertible into common shares.</p>

Before Amendment	After Amendment
<p>Article 29 Upon the approval of the relevant competent authorities of the State, the Company may repurchase its shares in one of the following manners:</p> <p>(I) Making a general offer to repurchase shares from all shareholders in proportion to their shareholdings;</p> <p>(II) Repurchase through open transaction in stock exchanges;</p> <p>(III) Repurchase through an off-market agreement;</p> <p>(IV) Other circumstances permitted by the laws, administrative regulations and the relevant competent authorities.</p>	<p>Deleted</p>
<p>—</p>	<p>(Addition)</p> <p>Article 25 Buy-back of shares of the Company can be conducted through open centralized trading, or otherwise permitted by laws and regulations and the China Securities Regulatory Commission.</p> <p>Buy-back of the Company's shares pursuant to item (III), item (V) and item (VI) of Article 24 of the Articles of Association shall be conducted through open centralized trading.</p> <p>Buy-back of shares of the Company shall be subject to the obligation of information disclosure according to the relevant provisions of the Company Law, the Hong Kong Listing Rules etc.</p>

Before Amendment	After Amendment
<p>Article 31 The repurchase of shares of the Company by an off-market agreement outside a stock exchange shall be approved in advance by the general meeting in accordance with the provisions of the Articles of Association. The Company may rescind or revise a contract entered into in the aforementioned manner or waive any of its rights thereunder with prior approval of the shareholders' general meeting obtained in the same manner. The contract for the share buy-back referred to in the preceding paragraph includes but not limited to agreements assuming obligations of share buy-back and acquiring the rights of the shares bought back. The Company shall not assign a contract for repurchasing its own shares or any of its rights thereunder.</p>	<p>Deleted</p>
<p>Article 32 After the shares are bought back by the Company pursuant to the laws, the Company shall cancel such shares within the period prescribed by laws and administrative regulations, and shall apply to the original company registration authority for registration of the change in its registered capital. The amount of the Company's registered capital shall be reduced by the aggregate par value of those cancelled shares.</p>	<p>Deleted</p>
<p>Article 33 Unless the Company is in the course of liquidation, it shall comply with the following provisions in respect of the buy-back of its outstanding issued shares:</p> <p>(I) Where the Company buys back its shares at par value, payment shall be made out of the book balance of the distributable profits of the Company and/or out of proceeds of a new issue of shares made for the buy-back of shares;</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>(II) Where the Company buys back shares at a price higher than their par value, the portion corresponding to their par value shall be deducted from the book balance of distributable profits and/or from the proceeds of a new shares issuance made to buy back the old shares; and the portion in excess of the par value shall be handled according to the following methods:</p> <ol style="list-style-type: none"> 1. If the shares bought back were issued at par value, payment shall be made out of the book balance of the distributable profits of the Company; 2. If the shares bought back were issued at a price higher than their par value, payment shall be made out of the book balance of the distributable profits of the Company and/or out of the proceeds of a new issue of shares made for the buy-back of shares, provided that the amount paid out of the proceeds of the new issue of shares shall not be more than the aggregate of premiums received by the Company at the time of the issue of the shares bought back nor shall it be more than the amount of the Company's premium account (or capital common reserve account) (including the premiums on the new issue of shares) at the time of such buy-back. <p>(III) Payment by the Company for the following purposes shall be paid out of the Company's distributable profits:</p> <ol style="list-style-type: none"> 1. Acquisition of rights to buy-back shares of the Company; 2. Variation of any contract for repurchasing shares of the Company; 3. Release of any of the Company's obligations under any contract for repurchasing its shares. 	

Before Amendment	After Amendment
<p>(IV) After the par value of the cancelled shares has been deducted from the registered capital of the Company in accordance with the relevant regulations, the amount deducted from the distributable profits for payment for repurchasing shares at their par value shall be accounted for in the Company's premium account (or capital common reserve account). Where the laws, regulations, rules, normative documents and relevant requirements of the securities regulatory authorities in the place where the Company's securities are listed have any other provisions in respect of the financial arrangement related to the aforementioned share buy-back, such provisions shall prevail.</p>	
<p>Article 35 Different parts of the register of shareholders shall not overlap. No transfer of the shares registered in any part of the register shall be registered in any other part of the register of shareholders at the same time.</p> <p>...</p> <p>All transfer instruments shall be kept at the legal address of the Company or any address specified by the board of directors from time to time.</p>	<p>Article 28 The Company shall establish the register of shareholders according to the certificate provided by the securities registration authority, and the register of shareholders is sufficient evidence to prove that the shareholders hold the shares of the Company. The original register of holders of shares listed on Hong Kong Stock Exchange shall be kept in Hong Kong, and the Company shall keep a duplicate of the register of holders of overseas-listed foreign shares at the Company's address and make it available for access by shareholders, but the Company may be permitted to suspend the register of members on terms equivalent to those in Section 632 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong; the appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas-listed shares at all times. If there are any inconsistencies between the original and the duplicate of the register of holders of overseas-listed foreign shares, the original version shall prevail.</p> <p>Different parts of the register of shareholders shall not overlap. No transfer of the shares registered in any part of the register shall be registered in any other part of the register of shareholders at the same time.</p> <p>...</p> <p>All transfer instruments shall be kept at the legal address of the Company or any address specified by the board of directors from time to time.</p>

Before Amendment	After Amendment
<p>Article 39 The Company or its subsidiaries shall not, by any means at any time, provide any financial assistance to a person who is acquiring or is proposing to acquire shares of the Company. The said acquirer of shares of the Company shall include a person who directly or indirectly assumes any obligations for the purpose of the acquisition of shares of the Company. The Company or its subsidiaries shall not, by any means and at any time, provide financial assistance to the said obligor for the purpose of reducing or discharging the obligations. The provisions in this Article shall not apply to the circumstances stated in Article 41 of the Articles of Association.</p>	<p>Deleted</p>
<p>Article 40 For the purpose of the Articles of Association, “financial assistance” includes but not limited to the following means:</p> <p>(I) Gift;</p> <p>(II) Guarantee (including the undertaking of liability or provisions of property by the guarantor to secure the performance of the obligation by the obligator), or indemnity (other than indemnity arising from the Company’s own fault) and release or waiver of rights;</p> <p>(III) Provision of a loan or conclusion of a contract under which the obligations of the Company are to be fulfilled prior to the obligations of the other party to the contract, and a change in the parties to, and the assignment of rights arising under, such loan or contract;</p> <p>(IV) Any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when such assistance would lead to significant reduction in the Company’s net assets.</p> <p>For the purpose of this Article, “assuming an obligation” includes the assumption of obligations by way of contract or the entering into an arrangement (whether enforceable or not, and whether entered into on its own account or with any other persons), or by the changing of the obligor’s financial position by any other means.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 41 The following activities shall not be deemed to be activities prohibited under Article 39 of the Articles of Association:</p> <p>(I) The financial assistance by the Company is given in good faith and in the interest of the Company, and the principal purpose of the financial assistance is not for the acquisition of shares of the Company, or the financial assistance is an ancillary part of a master plan of the Company;</p> <p>(II) The lawful distribution of the Company’s assets by way of dividends;</p> <p>(III) The allotment of shares as dividends;</p> <p>(IV) A reduction of registered capital, a repurchase of shares or a reorganization of the capital structure of the Company in accordance with the Articles of Association;</p> <p>(V) The provision of a loan by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are reduced, the financial assistance is paid out of the distributable profits of the Company);</p> <p>(VI) The provision of money by the Company for an employee stock ownership plan (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is paid out of the distributable profits of the Company).</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 42 The share certificates of the Company shall be in registered form. The following particulars shall be stated on a share certificate:</p> <ul style="list-style-type: none">(I) The name of the Company;(II) The date of incorporation of the Company;(III) The class and par value of the shares and the number of shares represented by the certificate;(IV) The serial number of the share certificate;(V) Other items as required to be specified by the Company Law and other laws and regulations and the stock exchange(s) in the place where the Company's shares are listed. <p>The Company may issue overseas-listed shares in the form of overseas depository receipts or other derivative means of shares in accordance with the laws and the practice of registration and deposit of securities in the place where the shares of the Company are listed.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 43 During the period of listing of the H Shares issued by the Company in Hong Kong, the Company shall ensure that all relevant documents relating to its securities listed in the Hong Kong Stock Exchange include the statements stipulated below and shall instruct and cause each of its share registrars not to register the subscription, purchase or transfer of any of its shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such shares bearing statements to the following effect:</p> <p>(I) The acquirer of Shares agrees with the Company and each Shareholder of the Company, and the Company agrees with each Shareholder, to observe and comply with the Company Law and other relevant laws, regulations and the Articles of Association.</p> <p>(II) The acquirer of shares agrees with the Company, each shareholder, Director, Supervisor and senior management members of the Company and the Company acting for itself and for each director, supervisor and senior management member agrees with each shareholder to refer all differences and claims arising from the Articles of Association or any rights or obligation conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such arbitration shall be final and conclusive.</p> <p>(III) The acquirer of shares agrees with the Company and each shareholder of the Company that shares in the Company are freely transferable by the holder thereof.</p> <p>(IV) The acquirer authorizes the Company to enter into a contract on his behalf with each of the director and senior management member whereby such directors, and senior management members undertake to observe and comply with their obligations to shareholders stipulated in the Articles of Association.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 44 The share certificates shall be signed by the chairman of the board of directors. Where the signatures of other senior management of the Company are required by the securities regulatory authorities of the place(s) in which the Company's shares are listed, the share certificates shall also be signed by such other senior management. The signature of chairman of the board of directors or other senior management of the Company on the share certificates may also be in printed form. In case of scriptless issue and trading of the shares of the Company, the applicable provisions provided by the securities regulatory authorities where the shares of the Company are listed shall prevail.</p>	<p>Deleted</p>
<p>Article 45 The Company shall maintain a register of shareholders, which shall contain the following particulars:</p> <p>(I) The name, address (domicile), occupation or nature of each shareholder;</p> <p>(II) The class and number of shares held by each shareholder;</p> <p>(III) The amount paid or payable in respect of the shares held by each shareholder;</p> <p>(IV) The serial numbers of the shares held by each shareholder;</p> <p>(V) The date on which each shareholder is registered as a shareholder;</p> <p>(VI) The date on which each shareholder ceases to be a shareholder.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>The register of shareholders shall be sufficient evidence to verify that a shareholder holds shares of the Company, except where evidence to the contrary exists. Subject to compliance of the Articles of Association and other applicable regulations, once the shares of the Company are transferred, the name of the transferee shall be included in the shareholders register as holder of such shares. The transfer and assignment of shares must be registered with the domestic and foreign share transfer registration agencies entrusted by the Company and shall registered in the shareholders register.</p> <p>If two or more persons are registered as joint holders of any of the shares, they shall be deemed as joint owners of relevant shares, but shall be subject to the following conditions:</p> <p>(I) All the joint shareholders of any shares shall be jointly and severally liable for all amounts payable for the relevant shares;</p> <p>(II) If one of the joint shareholders is deceased, only the other surviving joint shareholders shall be deemed as the persons who have the ownership of the relevant shares. But the board of directors has the power to require them to provide a death certificate of the relevant shareholder as necessary for the purpose of revising the relevant register of shareholders;</p>	

Before Amendment	After Amendment
<p>(III) In respect of the joint shareholder of any shares, only the joint shareholder whose name stands first in the register of shareholders has the rights to receive certificates of the relevant shares from the Company or receive notices or other documents of the Company. Any notice which is delivered to the aforementioned shareholder shall be deemed to have been delivered to all the joint shareholders of the relevant shares. Any of the joint shareholders may sign a proxy form, provided that if more than one joint shareholders attend a meeting in person or by proxy, the vote of the senior joint shareholder who tenders a vote will be accepted to the exclusion of the vote(s) of the other joint shareholder(s). For this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the relevant share; and</p> <p>(IV) Any receipts issued to the Company by one of the joint shareholders for any dividend, bonus issue or return on capital payable to such joint shareholders shall be treated as a valid receipt that has been issued by all the joint shareholders to the Company.</p>	

Before Amendment	After Amendment
<p>Article 46 The Company may, pursuant to the understanding and agreements made between the securities competent authorities of the State Council and overseas securities regulatory authorities, keep the register of shareholders of overseas-listed foreign shares outside the PRC and appoint overseas agent(s) for management. All transfer instruments shall be placed at the legal address of the Company or at the address specified by the board of directors from time to time. The original register of holders of shares listed in the Hong Kong Stock Exchange shall be kept in Hong Kong, and the Company shall keep a duplicate of the register of holders of overseas-listed foreign shares at the Company's address and make it available for access by shareholders; the appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas-listed shares at all times. If there is any inconsistency between the original and the duplicate of the register of holders of overseas-listed foreign shares, the original version shall prevail.</p>	<p>Deleted</p>
<p>Article 47 The Company shall keep a complete register of shareholders. The register of shareholders shall include the followings:</p> <p>(I) The register of shareholders kept at the Company's address other than those parts specified in items (II) and (III) of this Article;</p> <p>(II) The registers of shareholders of overseas-listed foreign shares of the Company kept in the places of the stock exchange(s) outside the PRC on which the shares are listed; and</p> <p>(III) The registers of shareholders kept in other places as the board of directors may decide necessary for the listing of the Company's shares.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 48 Different parts of the register of shareholders shall not overlap. No transfer of the shares registered in any part of the register shall be registered in any other part of the register of shareholders at the same time. Alteration or rectification of each part of the register of shareholders shall be made in accordance with the laws of the place where each part of the register of shareholders is kept.</p>	<p>Deleted</p>
<p>Article 49 Where relevant laws, administrative regulations, departmental rules and regulations, normative documents and listing rules of stock exchange in the place where the shares of the Company are listed have provisions on occasions when no change of registration in the shareholder register shall be carried out before convention of a shareholders' general meeting or before the record date of dividend distribution decided by the Company, such provisions shall be followed.</p>	<p>Deleted</p>
<p>Article 50 When the Company convenes a shareholders' general meeting, distributes dividends, commences liquidation or participates in other activities which require to confirm the identification of shareholders, the convener of meetings of the board of directors or the shareholders' general meetings shall decide the record date. The shareholders whose names appear on the register of shareholders at the close of trading on the record date shall enjoy the relevant rights.</p>	<p>Deleted</p>
<p>Article 51 Any person who disputes the register of shareholders and requests to have his name entered in or removed from the register of shareholders may apply to a competent court for rectification of the register.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 52 Any shareholder who is registered in, or any person who requests to have his name entered in, the register of shareholders may apply to the Company for issue of a replacement share certificate in respect of such shares (the “Relevant Shares”) if his share certificate (the “Original Certificate”) is lost. If a shareholder who has lost his share certificate of domestic shares applies for a replacement share certificate, it shall be dealt with in accordance with the relevant provisions of the Company Law. If a shareholder who has lost his share certificate of overseas-listed foreign shares applies for a replacement share certificate, it shall be dealt with in accordance with the laws, rules of the stock exchange(s) or other relevant provisions of the place where the original register of holders of overseas-listed shares is kept. Holders of overseas-listed foreign shares of the Company to be listed in Hong Kong who have lost their share certificates and applied for replacement of share certificates, such replacement shall comply with the following requirements:</p> <p>(I) The applicant shall submit an application to the Company in prescribed form accompanied by a notarial certificate or statutory declaration containing the reason for the application and the circumstances and evidence of the lost share certificates as well as a declaration that no other person shall be entitled to request for registration as the shareholder in respect of the Relevant Shares;</p> <p>(II) No statement has been received by the Company from a person other than the applicant who request to have his name registered as a holder of the Relevant Shares before the Company decided to issue the replacement share certificate;</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>(III) The Company shall, if it decides to issue a replacement share certificate to the applicant, publish an announcement of its intention to issue the replacement share certificate in such newspapers designated by the board of directors. The announcement shall be published repeatedly at least once every thirty (30) days within the period of the announcement of ninety (90) days;</p> <p>(IV) The Company shall have, prior to the publication of its announcement of intention to issue a replacement share certificate, delivered a copy of the announcement to be published to the stock exchange on which its shares are listed. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of ninety (90) days. In case an application to issue a replacement share certificate has been made without the consent of the registered holder of the Relevant Shares, the Company shall send by post to such registered shareholder a photo copy of the announcement to be published;</p> <p>(V) If, upon expiration of the 90-day period referred to in items (III) and (IV) of this Article, the Company has not received from any person any objection to such issue of a replacement share certificate, the Company may issue a replacement share certificate to the applicant according to his application;</p> <p>(VI) Where the Company issues a replacement share certificate under this Article, it shall immediately cancel the Original Certificate and record such cancellation and issue in the register of shareholders accordingly;</p>	

Before Amendment	After Amendment
(VII) All expenses relating to the cancellation of an Original Certificate and the issue of a replacement share certificate by the Company shall be borne by the applicant. The Company shall be entitled to refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.	
Article 53 Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned replacement share certificate or a shareholder who thereafter registers as the owner of such shares (provided that he is a bona fide purchaser) shall not be removed from the register of shareholders.	Deleted
Article 54 The Company shall not be liable for any damages sustained by any person due to the cancellation of the Original Certificate or the issue of the replacement share certificate, unless the claimant can prove fraud on the part of the Company.	Deleted
<p data-bbox="240 1087 785 1236">Article 55 A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is registered in the register of shareholders.</p> <p data-bbox="240 1285 785 1434">Shareholders shall enjoy rights and have obligations in accordance with the class of shares held by them. Shareholders holding the same class of shares shall be entitled to equal rights and have equal obligations.</p>	<p data-bbox="809 1087 1353 1278">Article 32 Shareholders shall enjoy rights and have obligations in accordance with the class of shares held by them. Shareholders holding the same class of shares shall be entitled to equal rights and have equal obligations.</p>

Before Amendment	After Amendment
<p>Article 56 Shareholders of ordinary shares of the Company shall enjoy the following rights:</p> <p>(I) The rights to receive dividends and other forms of distribution in proportion to the number of shares held by them;</p> <p>(II) The rights to request, convene, host, attend or appoint proxy to attend shareholders' general meetings and exercise corresponding voting rights in accordance with the law;</p> <p>(III) The rights to supervise and manage of the Company and to put forward proposals and raise inquiries;</p> <p>(IV) The rights to transfer, donate, or pledge shares held by them in accordance with laws, administrative regulations and the Articles of Association;</p> <p>(V) The rights to obtain relevant information in accordance with the Articles of Association of the Company, including:</p> <ol style="list-style-type: none"> 1. to obtain a copy of the Articles of Association upon payment of the cost of such copy; 2. to inspect and photocopy upon payment of a reasonable charge, of: <ol style="list-style-type: none"> (1) all parts of the register of shareholders; (2) personal particulars of each of the directors, supervisors, managers and other senior management of the Company, including: (a) current and previous names and aliases; (b) main address (domicile); (c) nationality; (d) full-time and all other part-time occupations and duties; (e) identification documents and their numbers; 	<p>Article 33 Shareholders of the Company shall enjoy the following rights:</p> <p>(I) The rights to receive dividends and other forms of distribution in proportion to the number of shares held by them;</p> <p>(II) The rights to request, convene, host, attend or appoint a proxy to attend shareholders' general meetings and exercise corresponding voting rights in accordance with the law;</p> <p>(III) The rights to supervise and manage the Company and to put forward proposals and raise inquiries;</p> <p>(IV) The rights to transfer, donate, or pledge shares held by them in accordance with laws, administrative regulations and the Articles of Association;</p> <p>(V) The rights to obtain relevant information in accordance with the Articles of Association of the Company, including:</p> <ol style="list-style-type: none"> 1. to obtain a copy of the Articles of Association upon payment of the cost of such copy; 2. to inspect and photocopy upon payment of a reasonable charge, of: <ol style="list-style-type: none"> (1) all parts of the register of shareholders (for shareholders' inspection only); (2) minutes of the shareholders' meeting (for shareholders' inspection only); (3) regular reports of the Company, including (a) annual reports; (b) interim reports; (c) quarterly reports; (d) annual results announcement; (e) interim results announcement.

Before Amendment	After Amendment
<p>(3) reports of the status of the Company's share capital;</p> <p>(4) reports for the aggregate par value and the number in respect of each class of shares as well as the highest and lowest price of shares repurchase paid by the Company since the end of the last financial year and all the expenses paid by the Company therefor (with a breakdown between domestic shares and H shares);</p> <p>(5) stubs of company bonds;</p> <p>(6) minutes of the shareholders' meeting (for shareholders' inspection only);</p> <p>(7) the Company's special resolutions, the Company's latest audited financial statements, reports of directors, accounting firm and board of supervisors;</p> <p>(8) the latest annual report filed with the competent authority of market and supervision and other competent authorities.</p>	<p>The Company shall made the documents in (1), and (2) above and any other applicable documents available for free inspection by the public and shareholders at the Company's Hong Kong address as required by the Hong Kong Listing Rules.</p> <p>(VI) The rights to participate in the distribution of remaining assets of the Company corresponding to the number of shares held in the event of the termination or liquidation of the Company;</p> <p>(VII) The rights to demand the Company to acquire the shares held by them with respect to shareholders voting against any resolution adopted at the shareholders' general meeting on the merger or division of the Company;</p> <p>(VIII) Other rights conferred by law, administrative regulations, departmental regulations, and the listing rules of the place where the shares of the Company are listed and the Articles of Association.</p>
<p>The Company shall make the documents in (1), (3), (4), (6) and (8) above and any other applicable documents available for free inspection by the public and shareholders at the Company's Hong Kong address as required by the Hong Kong Listing Rules.</p>	

Before Amendment	After Amendment
<p>(VI) The rights to participate in the distribution of remaining assets of the Company corresponding to the number of shares held in the event of the termination or liquidation of the Company;</p> <p>(VII) The rights to demand the Company to acquire the shares held by them with respect to shareholders voting against any resolution adopted at the shareholders' general meeting on the merger or division of the Company;</p> <p>(VIII) Other rights conferred by law, administrative regulations, departmental regulations, listing rules of the place where the shares of Company are listed and the Articles of Association.</p>	
<p>Article 61 Shareholders of ordinary shares of the Company shall have the following obligations:</p> <p>(I) To abide by the laws, administrative regulations, departmental rules, normative documents, listing rules of stock exchange of the place where the shares of the Company are listed and the Articles of Association;</p> <p>(II) To pay for the shares based on the shares subscribed for and the manners in which they became shareholder;</p> <p>(III) Not to surrender the shares unless required by law and regulations;</p> <p>(IV) Not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditors of the Company;</p>	<p>Article 38 Shareholders of the Company shall assume the following obligations:</p> <p>(I) To abide by the laws, administrative regulations, departmental rules, normative documents, listing rules of the stock exchange of the place where the shares of the Company are listed and the Articles of Association;</p> <p>(II) To pay for the shares based on the shares subscribed for and the manners in which they became shareholders;</p> <p>(III) Not to surrender the shares unless required by law and regulations;</p> <p>(IV) Not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditor of the Company;</p>

Before Amendment	After Amendment
<p>(V) To be liable for obligations as required by the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange of the place where the shares of the Company are listed and the Articles of Association.</p> <p>Where shareholders of the Company abuse their shareholders’ rights to jeopardize the interests of the Company or other shareholders, such shareholders shall be legally liable for compensation according to laws. Where shareholders of the Company abuse Company’s status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.</p> <p>Shareholders are not liable for making any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.</p>	<p>(V) To be liable for obligations as required by the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange of the place where the shares of the Company are listed and the Articles of Association.</p> <p>Where shareholders of the Company abuse their shareholders’ rights to jeopardize the interests of the Company or other shareholders, such shareholders shall be legally liable for compensation according to laws. Where shareholders of the Company abuse the Company’s status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.</p>
<p>Article 64 In addition to obligations imposed by laws, administrative regulations, departmental rules and regulations, normative documents of the place where the Company’s shares are listed or required by the listing rules of the stock exchange(s) in the place where the Company’s shares are listed, controlling shareholders, in exercising their rights as shareholders, shall not exercise their voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders:</p> <p>(I) To relieve a director or supervisor of his duty to act honestly in the best interests of the Company;</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>(II) To approve the misappropriation by a director or supervisor (for his own benefit or for the benefit of other person(s)), in any manner, of the Company’s assets, including but not limited to, any opportunities that are favorable to the Company;</p> <p>(III) To approve the misappropriation by a director or supervisor (for his own benefit or for the benefit of other person(s)) of the individual rights of other shareholders, including but not limited to, rights to distributions and voting rights save for a restructuring of the Company submitted to the shareholders’ general meeting for approval in accordance with the Articles of Association.</p>	
<p>Article 65 The term “controlling shareholder” referred to in the preceding provision means a person who satisfies any one of the following conditions:</p> <p>(I) a person acting alone or in concert with others, is entitled to elect more than half of the board of directors;</p> <p>(II) a person acting alone or in concert with others, is entitled to exercise more than 30% (including 30%) or to control the exercise of more than 30% (including 30%) of the voting rights of the Company;</p> <p>(III) a person acting alone or in concert with others, holds more than 30% (including 30%) of the outstanding shares of the Company;</p> <p>(IV) a person acting alone or in concert with others, has de facto control over the Company in any other manner(s).</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 67 The shareholders' general meeting is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:</p> <p>(I) To determine the business policies and investment plans of the Company;</p> <p>.....</p> <p>(XVII) The annual shareholders' general meeting of the Company is entitled to authorize the board of directors to decide the issuance of shares with a total financing amount of no more than RMB300 million and no more than 20% of the net assets as at the end of the latest year to specific subscriber(s), and such authorization will expire on the convention date of the annual shareholders' general meeting for the next year. For the avoidance of doubt, any issuance of shares by the Company shall be subject to and conducted in compliance with the listing rules of the place where the Company's shares are listed.</p> <p>.....</p>	<p>Article 42 The shareholders' general meeting is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:</p> <p>(I) To determine the business policies and investment plans of the Company;</p> <p>.....</p> <p>(XVII) The annual shareholders' general meeting of the Company is entitled to authorize the board of directors to decide the issuance of shares with a total financing amount of no more than RMB300 million and no more than 20% of the net assets as at the end of the latest year to specific subscriber(s), and such authorization will expire on the convention date of the annual shareholders' general meeting for the next year. For the avoidance of doubt, any issuance of shares by the Company shall be subject to and conducted in compliance with the listing rules of the place where the Company's shares are listed. The General Meeting shall have the power to authorize the Board to issue new H Shares in the manner permitted under the applicable Listing Rules and such resolution shall be without limitation to the foregoing provisions.</p> <p>.....</p>

Before Amendment	After Amendment
<p>Article 76 Where the supervisory committee or shareholders decide(s) to convene the shareholders' general meeting by itself/themselves, it/they shall send out a written notice to the board of directors, and shall file with the stock exchange of the place where shares of the Company are listed.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% during the period from the date of announcing the notice of general meeting to the conclusion of the general meeting.</p> <p>The supervisory committee or convening shareholder shall submit relevant evidence to the stock exchange of the place where shares of the Company are listed upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.</p>	<p>Article 51 Where the supervisory committee or shareholders decide(s) to convene the shareholders' general meeting by itself/themselves, it/they shall send out a written notice to the Board of Directors, and shall file with the Shenzhen Stock Exchange according to the provisions of the relevant laws and regulations.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% during the period from the date of announcing the notice of the general meeting to the conclusion of the general meeting.</p> <p>The supervisory committee or convening shareholder shall submit relevant evidence to the Shenzhen Stock Exchange upon the issuance of the notice of the general meeting and the announcement of the resolutions of the general meeting according to the provisions of the relevant laws and regulations.</p>
<p>Article 77 The board of directors and the secretary to the board of directors shall provide cooperation, provide requisite support and perform their information disclosure obligations in a timely manner with respect to matters relating to a general meeting convened by the supervisory committee or shareholders on its/their own. The board of directors shall provide the register of shareholders as of the date of record date. Where the board of directors does not provide the register of shareholders, the convener may apply for the same to the securities registration and settlement institution of the place where shares of the Company are listed by holding the relevant announcement of notice for convening the shareholders' meeting. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of a shareholders' general meeting.</p>	<p>Article 52 The Board of Directors and the secretary to the board of directors shall provide cooperation, provide requisite support and perform their information disclosure obligations in a timely manner with respect to matters relating to a general meeting convened by the supervisory committee or shareholders on its/their own. The Board of Directors shall provide the register of shareholders as of the date of the record date. If the Board fails to provide the register of shareholders, the convener may request to access the register at the securities registration and clearing institution by presenting the relevant announcement of the notice of the general meeting according to the provisions of the relevant laws and regulations. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of a shareholders' general meeting.</p>

Before Amendment	After Amendment
<p>Article 83 A notice of shareholders' general meeting shall:</p> <p>(I) be provided in writing;</p> <p>(II) specify the place, date and time of the meeting;</p> <p>(III) state the matters to be considered at the meeting;</p> <p>(IV) provide shareholders the detailed information and explanations necessary for the shareholders to make sound decisions about the matters to be discussed. This principle includes (but not limited to) the provision of the specific terms and contract(s), if any, of the proposed transaction(s) and serious explanations about the causes and effects when the Company proposes mergers, repurchase of shares, restructuring of share capital or other restructuring;</p> <p>(V) in the event that any of the directors, supervisors, president (general manager) and other senior management has material interests at stake in matters to be discussed, the nature and extent of the interests at stake shall be disclosed. If the matters to be discussed affect any director, supervisor, president (general manager) and other senior management as a shareholder in a manner different from how they affect the same class of other shareholders, the difference shall be explained;</p>	<p>Article 58 A notice of shareholders' general meeting shall:</p> <p>(I) Specify the place, date and time of the meeting;</p> <p>(II) Submit the matters and proposals to be considered at the meeting;</p> <p>(III) Contain a conspicuous statement that all shareholders shall be entitled to attend the general meeting and may appoint in writing one or more proxies to attend and vote at the meeting on his/her behalf and such proxy needs not be a shareholder of the Company;</p> <p>(IV) Specify the record date for shareholders who are entitled to attend the general meeting;</p> <p>(V) State the names and telephone numbers of the permanent contact persons for the matters of the general meeting;</p> <p>(VI) Specify the voting time and voting procedures of the meeting for the online voting or other means of voting.</p> <p>The notice and the supplementary notice of the general meeting shall fully and completely disclose all the specific content of all proposals. If any matter to be discussed requires the opinions of the independent non-executive directors, the opinions and reasons of the independent non-executive directors shall be disclosed together with the issuance of such notice.</p>

Before Amendment	After Amendment
<p>(VI) include the full text of any special resolution to be proposed for approval at the meeting;</p> <p>(VII) contain a conspicuous statement that a shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote at the meeting on his/her behalf and such proxy needs not be a shareholder;</p> <p>(VIII) state the time and place for delivering the proxy form authorizing the proxy to vote at the relevant meeting;</p> <p>(IX) specify the record date of shareholdings of shareholders entitled to attend the shareholders' general meeting;</p> <p>(X) state the names and telephone numbers of the contact persons for the general meeting;</p> <p>(XI) specify the voting time and voting procedures of the meeting for the online voting or other means of voting.</p> <p>Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all the details of all proposals. If any matter to be discussed requires opinions of the independent non-executive directors, the opinions and reasons of the independent non-executive directors shall be disclosed together with the issuance of such notice.</p>	<p>The starting time for voting through the online voting system at a general meeting is 9:15 am on the day the general meeting is held, and the voting shall conclude at 3:00 pm on the day on which the on-site general meeting held is adjourned. The time for online voting through the trading system of the Shenzhen Stock Exchange shall be the trading hours on the day the general meeting is convened. If there are any special requirements under the listing rules of the stock exchange in the place where the shares of the Company are listed, such requirements shall prevail.</p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall be no less than 2 business days and no more than 7 business days. The shareholding record date shall not be changed once confirmed.</p>

Before Amendment	After Amendment
<p>The starting time for voting through the online voting system at a general meeting is 9:15 am on the day the general meeting is held, and the voting shall conclude at 3:00 pm on the day on which the on-site general meeting held is adjourned. The time for online voting through the trading system of Shenzhen Stock Exchange shall be the trading hours on the day the general meeting is convened. If there are any special requirements under listing rules of stock exchange in the place where the shares of the Company are listed, such requirements shall prevail.</p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall be no less than 2 business days and no more than 7 business days. The shareholding record date shall not be changed once confirmed.</p>	
<p>Article 88 All holders of ordinary shares listed on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the shareholders' general meeting and vote in accordance with relevant laws, regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association.</p> <p>Each shareholder entitled to attend and vote at the general meeting may attend and vote personally or by appointing one person (who is not necessary to be a shareholder(s)) as his proxy (proxies). The proxy (proxies) may, as authorized by the shareholder, exercise the following rights:</p> <p>(I) The shareholder's rights to speak at the shareholders' general meeting;</p> <p>(II) The rights to demand by himself or jointly with others in voting by way of poll;</p> <p>(III) The rights to vote.</p>	<p>Article 63 All holders of ordinary shares listed on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the shareholders' general meeting and vote in accordance with relevant laws, regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association.</p> <p>Each shareholder entitled to attend and vote at the general meeting may attend and vote personally or by appointing one representative (who is not necessary to be a shareholder) as his/her proxy. The proxy may, as authorized by the shareholder, exercise the following rights:</p> <p>(I) The shareholder's rights to speak at the shareholders' general meeting;</p> <p>(II) The rights to demand by himself or jointly with others in voting by way of poll;</p> <p>(III) The rights to vote.</p>

Before Amendment	After Amendment
<p>If a shareholder is cooperation, it may appoint one proxy to attend and vote at any general meetings of the Company, and such presence through appointment of proxy shall be deemed to attend in person. Such shareholder may authorize its proxy to sign the proxy form.</p>	<p>If a shareholder is cooperation, it may appoint one proxy to attend and vote at any general meetings of the Company, and such presence through appointment of proxy shall be deemed to attend in person. Such shareholder may authorize its proxy to sign the proxy form.</p>
<p>If a shareholder is a recognized clearing house or its agent within the meaning of the relevant laws of the place where the shares of the Company are listed, he/she is entitled to appoint proxy or the representative of the Company to act as his/her proxy(ies) at any general meeting, class meeting or creditors' meeting. However, if more than one proxy is appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. The proxy form shall be signed by the personnel authorized by the recognized clearing house. Such authorized proxies are entitled to attend the meeting on behalf of the recognized clearing house or their agent (without presentation of evidence of their shareholding, notarized authorization and/or further proof demonstrating the duly granting of the same) and exercise the rights of the recognized clearing house or their agent (including the rights to speak and vote), as if they were the individual shareholders of the Company.</p>	<p>If a shareholder is a recognized clearing house or its agent within the meaning of the relevant laws of the place where the shares of the Company are listed, he/she is entitled to appoint proxy or the representative of the Company to act as his/her proxy(ies) at any general meeting, class meeting or creditors' meeting. However, if more than one proxy is appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. The proxy form shall be signed by the personnel authorized by the recognized clearing house. Such authorized proxies or corporate representatives shall enjoy the same legal rights as other shareholders enjoy, and are entitled to attend the meeting on behalf of the recognized clearing house or their agent (without presentation of evidence of their shareholding, notarized authorization and/or further proof demonstrating the duly granting of the same) and exercise the rights of the recognized clearing house or their agent (including the rights to speak and vote), as if they were the individual shareholders of the Company.</p>

Before Amendment	After Amendment
<p>Article 91 Any proxy forms issued to a shareholder by the board of the Company for use in appointing a proxy shall be in such format as to enable the shareholder to instruct the proxy to vote in favor of or against the proposals according to his/her free will, and instructions shall be given in respect of each single matter to be voted on at the meeting. The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, the proxy may vote as he/she thinks fit.</p>	<p>Article 66 The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, the proxy may vote as he/she thinks fit.</p>
<p>Article 92 The instrument appointing a voting proxy shall be placed at the domicile of the Company or at such other places as specified in the notice of convening the meeting 24 hours prior to convening of the meeting at which the proxy is authorized to vote or 24 hours prior to the designated time of voting. Where the instrument authorizing the proxy to vote is signed by another person authorized by the principal, the authorization letter or other documents authorizing the signatory shall be notarized. The notarized authorized letter or other authorized documents shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other places as specified in the notice of convening the meeting.</p> <p>Where the principal is a legal person, its legal representative or the person authorized by resolution of its board of directors or other decision-making body shall be entitled to attend the Company's general meetings as the representative of such legal person.</p>	<p>Article 67 Where the instrument authorizing the proxy to vote is signed by another person authorized by the principal, the authorization letter or other documents authorizing the signatory shall be notarized. On the basis of violating the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed, the notarized authorized letter or other authorized documents shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other places as specified in the notice of convening the meeting within the time specified by the Company.</p> <p>Where the principal is a legal person, its legal representative or the person authorized by resolution of its board of directors or other decision-making body shall be entitled to attend the Company's general meetings as the representative of such legal person.</p>
<p>Article 99 At the annual general meeting, the board of directors and the supervisory committee shall report their work for the past year to the shareholders' general meeting. Each independent non-executive director shall also present a work report.</p>	<p>Article 73 At the annual general meeting, the board of directors and the supervisory committee shall report their work for the past year to the shareholders' general meeting. Independent non-executive directors shall also present a work report to explain the performance of their duties. The annual work report of the independent non-executive directors shall be disclosed at the latest when the Company issues the notice of the annual general meeting of shareholders.</p>

Before Amendment	After Amendment
<p>Article 110 The chairman of the meeting shall be responsible for deciding whether or not a resolution at the shareholders' general meeting has been passed. His/her decision shall be final and shall be announced at the meeting and recorded in the minutes of meeting.</p>	<p>Deleted</p>
<p>Article 116 Voting at a shareholders' general meeting shall be in the form of a show of hands unless a poll is required by the relevant requirements of securities regulatory authorities of the place where the shares of the Company are listed, otherwise required by other laws and regulations or a poll is (before or after any vote by show of hands) demanded by the following persons:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least two shareholders present in person or by proxy entitled to vote thereat;</p> <p>(III) one or more shareholders (including proxies) individually or jointly holding more than 10% (inclusive) of all shares carrying voting rights at the meeting on a one vote per share basis. Unless a poll is required by the relevant requirements of securities regulatory authorities of the place where the shares of the Company are listed or demanded by any person in the meeting, or otherwise required by other laws and regulations, the chairman of the meeting shall declare whether a resolution has been passed based on a show of hands and record the result in the minutes of meeting as the conclusive evidence. There is no need to provide evidence of the number or percentage of votes in favour of or against such resolution. The demand for a poll may be withdrawn by the person who makes such demand.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 117 A poll demanded on such matters as the election of chairman of the meeting or the suspension of the meeting, shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman of the meeting may decide, and the meeting may proceed to discuss other matters, while the outcome of the poll shall still be deemed to be a resolution of that meeting.</p>	<p>Deleted</p>
<p>Article 118 On a poll taken at a meeting, a shareholder (including his/her proxies) entitled to two or more votes need not cast all votes in the same way.</p>	<p>Deleted</p>
<p>Article 119 The chairman of the general meeting may decide to allow a resolution which relates to a procedural or administrative matter of the shareholders' general meeting to be voted by a show of hands. Procedural and administrative matters include those relating to the duties of the chairman of a meeting to maintain the orderly proceeding of the meeting and/or promote the business of the meeting to be properly and effectively dealt with while allowing all shareholders to have reasonable opportunity to express their views. When the number of votes cast for and against a resolution is the same, whether on a show of hands or on a poll, the chairman of the meeting shall have a casting vote.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 132 Shareholders of the affected class, whether or not having the right to vote at the shareholders’ general meeting, shall have the rights to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) and (XI) to (XII) in Article 131, except that interested shareholders shall not vote at class meetings.</p> <p>The term “interested shareholders” in the preceding paragraph shall have the following meanings:</p> <p>(I) if the Company has made a repurchase offer to all shareholders in the same proportion or has bought back its own shares through open market transactions on a stock exchange in accordance with Article 29 of the Articles of Association, the controlling shareholders as defined in the Articles of Association shall be the “interested shareholders”;</p> <p>(II) if the Company has bought back its own shares by an agreement outside of a stock exchange in accordance with Article 29 of the Articles of Association, holders of shares in relation to such agreement shall be the “interested shareholders”;</p> <p>(III) under a restructuring proposal of the Company, shareholders who will bear liability in a proportion smaller than that of the liability borne by other shareholders of the same class, or shareholders who have an interest different from that interest of other shareholders of the same class shall be the “interested shareholders”.</p>	<p>Article 101 Shareholders of the affected class, whether or not having the right to vote at the shareholders’ general meeting, shall have the rights to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) and (XI) to (XII) in Article 100, except that interested shareholders shall not vote at class meetings.</p>

Before Amendment	After Amendment
<p>Article 137 A director of the Company is a natural person and needs not hold the shares of the Company. The directors shall include executive directors, non-executive directors and independent non-executive directors. The executive directors shall be the directors participating in the production and operation of the Company; the non-executive directors shall be the directors other than independent non-executive directors who do not participate in the production and operation of the Company; the independent non-executive directors shall be the directors who, pursuant to the Listing Rules of the Stock Exchange where the Company’s shares are listed and the provisions of these Articles, is not holding any other positions in the Company other than the director and has no relationship with the Company and its substantial shareholders that may prevent him from making an independent and objective judgment.</p>	<p>Article 106 A director of the Company is a natural person and needs not hold the shares of the Company. The directors shall include executive directors, non-executive directors and independent non-executive directors. The executive directors shall be the directors participating in the production and operation of the Company; the non-executive directors shall be the directors other than independent non-executive directors who do not participate in the production and operation of the Company; the independent non-executive directors shall be the directors who, pursuant to the Listing Rules of the Stock Exchange where the Company’s shares are listed and the provisions of these Articles, are not holding any other positions in the Company other than the director and have no direct or indirect interests with the Company, its substantial shareholders or actual controller, or other relationships that may affect him/her from making an independent and objective judgment.</p>

Before Amendment	After Amendment
<p>Article 150 The board of directors shall perform the following duties:</p> <p>...</p> <p>The board of directors of the Company shall have the audit committee, and establish the nomination committee, remuneration and appraisal Committee, and other relevant special committees. The special committees shall be accountable to the board of directors and shall perform their duties in accordance with the listing rules of the stock exchange where the Company’s shares are listed, the Articles of Association and the authorization of the board of directors. Their proposals shall be submitted to the board of directors for deliberation and decision. All special committees are comprised of directors. The majority of members of the audit committee, the nomination committee, and the remuneration and appraisal committee shall be independent non-executive directors, who shall also be the conveners, provided that the convener of the audit committee shall be an accounting professional. The board of directors shall be responsible for formulating the working rules of the special committees and regulating their operation.</p>	<p>Article 119 The board of directors shall perform the following duties:</p> <p>...</p> <p>The board of directors of the Company shall have the audit committee, and establish the nomination committee, remuneration and appraisal Committee, and other relevant special committees. The special committees shall be accountable to the board of directors and shall perform their duties in accordance with the listing rules of the stock exchange where the Company’s shares are listed, the Articles of Association and the authorization of the board of directors. Their proposals shall be submitted to the board of directors for deliberation and decision. All special committees are comprised of directors. More than half of members of the audit committee, the nomination committee, and the remuneration and appraisal committee shall be independent non-executive directors, who shall also be the conveners, provided that the convener of the audit committee shall be an accounting professional, and the members of the audit committee shall be non-executive directors and/or independent non-executive directors who are not senior management members of the Company. The board of directors shall be responsible for formulating the working rules of the special committees and regulating their operation.</p>

Before Amendment	After Amendment
<p>Article 154 When the board of directors intends to dispose a fixed asset, if sum of the expected value of the said fixed asset and the value obtained from the fixed assets that are disposed within four months before this disposal proposal exceeds 33% of the value of fixed assets indicated in the balance sheet latest audited by the general meeting, then the board of directors shall not dispose or agree to dispose of the said fixed asset without the approval of the general meeting.</p> <p>The disposal of a fixed asset in this article includes the act of transferring asset interests, but excludes the act of providing guarantee by using a fixed asset.</p> <p>The validity of the Company's transaction for disposal of a fixed asset is not affected by the violation of the first clause of this article.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 170 The Company shall establish an independent non-executive director system. At least one third of the members of the board of directors shall be independent non-executive directors, which shall include at least one accountant. The composition of independent non-executive directors shall also comply with the listing rules of the stock exchange in the place where the stocks of the Company are listed. An independent non-executive director shall have more than five years’ experience in legal, economic, managerial, accounting or financial work or other work required for fulfilling duties as independent director, and have the basic knowledge about operations of companies. He/she shall be familiar with the rules of the place where the stocks of the Company are listed, and ensure that he/she can give sufficient time and attention to perform his/her duties.</p> <p>The following persons shall not serve as the independent non-executive directors:</p> <p>(I) persons who hold a position in the listed company or its subsidiaries, their immediate relatives and major social relations;</p> <p>(II) persons who directly or indirectly hold more than 1% of the issued shares of the Company, or the natural person shareholders in the top ten shareholders of the Company, and such shareholders’ immediate relatives;</p>	<p>Article 138 The Company shall establish an independent non-executive director system. At least one-third of the members of the board of directors shall be independent non-executive directors, which shall include at least one accountant. The composition and qualification of independent non-executive directors shall also comply with the listing rules of the stock exchange in the place where the stocks of the Company are listed and/or the provision of the Articles of Association. An independent non-executive director shall have more than five years’ experience in legal, economic, managerial, accounting or financial work or other work required for fulfilling duties as independent director, and have the basic knowledge about operations of companies. He/she shall be familiar with the rules of the place where the stocks of the Company are listed, excels in virtue, has no bad records such as major breach of trust and ensures that he/she can give sufficient time and attention to perform his/her duties.</p> <p>The following persons shall not serve as independent non-executive directors:</p> <p>(I) Persons who hold a position in the listed company or its subsidiaries, their spouses, parents, and children and major social relations;</p> <p>(II) Persons who directly or indirectly hold more than 1% of the issued shares of the Company, or the natural person shareholders in the top ten shareholders of the Company, and such shareholders’ spouses, parents, and children;</p>

Before Amendment	After Amendment
(III) any employee of any corporate shareholder that directly or indirectly holds more than 5% of the Company's issued shares, or any employee of any of the five largest corporate shareholders of the Company, and his/her lineal relatives ;	(III) Any employee of any corporate shareholder that directly or indirectly holds more than 5% of the Company's issued shares, or any employee of any of the five largest corporate shareholders of the Company, and his/her spouses, and parents, children ;
(IV) Persons who hold a position in the controlling shareholders, actual controller and its subsidiaries and their immediate relatives ;	(IV) Persons who hold a position in the controlling shareholders, actual controller's subsidiaries and their spouses, parents, and children ;
(V) Persons who provides financial, legal or advisory services or other services for the Company, its controlling shareholders, its actual controller or their subsidiaries, including but not limited to all the employees of the project team of intermediaries providing services, reviewing officers, and officers, partners and principals signing the reports;	(V) Persons who have major business transactions with the Company and its controlling shareholders or actual controllers or their respective subsidiaries, or persons who hold positions in units with major business transactions and their controlling shareholders or actual controllers ;
(VI) Persons who hold a position in the entities that have major business transactions with the Company, its controlling shareholders, its actual controller or their subsidiaries, or that are the entities of controlling shareholders of the entities that have major business transactions with the Company, its controlling shareholders, its actual controller or their subsidiaries ;	(VI) Persons who provide financial, legal, advisory, sponsor services or other services for the Company, its controlling shareholders, its actual controller or their subsidiaries, including but not limited to all the employees of the project team of intermediaries providing services, reviewing officers, and officers, partners, directors, senior management and principals signing the reports;
(VII) Any person who falls under any of the above six categories during the past twelve months;	(VII) Persons who have had any of the circumstances listed in items (1) to (6) within the last 12 months;
(VIII) such other persons determined by the securities regulatory authorities where the shares of the Company are listed.	(VIII) Other persons who are not independent as recognized by laws, administrative regulations, securities regulators in the place where the Company's shares are listed or/and as stipulated by the Company's Articles of Association.

Before Amendment	After Amendment
<p>“Major social relations” stated in the preceding paragraph refer to brothers and sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law etc.; “major business transactions” refer to the matters need to be submitted to the shareholders’ general meeting for consideration in accordance with the listing rules of the Shenzhen Stock Exchange or the provisions of the Articles of Association, or other major matters determined by the Shenzhen Stock Exchange; “hold a position” refer to serving as the directors, supervisors, senior management and other employees. The subsidiaries of controlling shareholders and actual controllers of the Company stated in the items (IV), (V) and (VI) of the preceding paragraph exclude the subsidiaries without connected relationships with the listed company in accordance with the listing rules of the Shenzhen Stock Exchange or the provisions of the Articles of Association.</p>	<p>“Major social relations” stated in the preceding paragraph refer to brothers and sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, parents of son’s spouse, parents of daughter’s spouse, etc.; “major business transactions” refer to the matters that need to be submitted to the shareholders’ general meeting for consideration in accordance with the listing rules of the Shenzhen Stock Exchange or the provisions of the Articles of Association, or other major matters determined by the Shenzhen Stock Exchange; “hold a position” refers to serving as the directors, supervisors, senior management and other employees. The subsidiaries of controlling shareholders and actual controllers of the Company stated in items (IV), (V) and (VI) of the preceding paragraph exclude the subsidiaries without connected relationships with the listed company in accordance with the listing rules of the Shenzhen Stock Exchange or the provisions of the Articles of Association.</p>
<p>Article 171 The board of directors, the Supervisory Committee, and shareholders who severally or jointly with other persons hold more than 1% of the issued shares of the Company shall have the right to nominate candidates as independent non-executive directors, and the nominated candidates shall become independent non-executive directors by election at a general meeting.</p>	<p>Article 139 The Board of Directors, the Supervisory Committee, and shareholders who severally or jointly with other persons hold more than 1% of the issued shares of the Company shall have the right to nominate candidates as independent non-executive directors, and the nominated candidates shall become independent non-executive directors by election at a general meeting.</p> <p>An investor protection agency established according to law may publicly request shareholders to entrust it with the exercise of the right to nominate independent non-executive directors on their behalf.</p> <p>The nominee as referred to in paragraph 1 of this Article shall not nominate any person with whom he or she has a material interest or is otherwise closely related to which may affect the independent performance of his or her duties as an independent non-executive director candidate.</p>

Before Amendment	After Amendment
<p>Article 172 An independent non-executive director shall have the following special functions and powers in addition to the general functions and powers:</p> <p>(I) material connected transactions (determined according to the standards required by the stock exchange where the Company's shares are listed, hereinafter inclusive) shall, after the recognition by independent non-executive directors, be submitted to the board of directors for discussion. The independent non-executive directors may, before making a judgment, engage an intermediary to issue an independent financial advisor report as the basis for them to make the judgment;</p> <p>(II) to propose to the board of directors to engage or remove an accounting firm;</p> <p>(III) to propose to the board of directors to convene an extraordinary general meeting;</p> <p>(IV) to put forward the proposals on profit distribution and conversion of capital reserve to share capital after collecting views from minority shareholders to the board of directors for consideration;</p> <p>(V) to propose to convene a board meeting;</p> <p>(VI) to collect voting rights from shareholders prior to the convening of a general meeting.</p> <p>(VII) to engage an external auditing or advisory firm independently.</p>	<p>Article 140 An independent non-executive director shall have the following special functions and powers in addition to the general functions and powers:</p> <p>(I) To independently employ intermediaries to audit, consult or investigate specific matters of the Company;</p> <p>(II) To propose to the Board of Directors to convene an extraordinary general meeting;</p> <p>(III) To propose to convene a board meeting;</p> <p>(IV) To publicly solicit the rights of shareholders from shareholders according to law;</p> <p>(V) To express independent opinions on matters that may prejudice the rights and interests of listed companies or minority shareholders;</p> <p>(VI) Other functions and powers as prescribed by laws, administrative regulations, the CSRC and the Articles of Association of the Company.</p>

Before Amendment	After Amendment
<p>The independent non-executive directors shall seek the consent of more than half of all the independent non-executive directors in exercising their functions and powers as prescribed in the above items (I) to (VI); the independent non-executive directors shall seek the consent of all the independent non-executive directors in exercising their functions and powers as prescribed in the above item (VII). The matters mentioned in the above items (I) and (II) shall, after the consent by more than half of all independent non-executive directors, be submitted to the board of directors for discussion.</p> <p>If the above-mentioned proposal is not accepted or the above functions and powers cannot be exercised properly, the Company shall disclose the relevant circumstances.</p>	<p>The independent non-executive directors' exercises the functions and powers listed in items (I) to (III) of the preceding paragraph shall be exercised by the consent of more than half of all independent non-executive directors.</p> <p>Where an independent non-executive director exercises the functions and powers listed in paragraph 1 of this Article, the Company shall disclose them in a timely manner. Where the above powers cannot be exercised normally, the Company shall disclose the details and reasons.</p>

Before Amendment	After Amendment
<p>Article 173 Independent non- executive directors shall provide their independent opinions of agreement, qualified opinions and reasons thereof, dissenting opinions and reasons thereof, or no opinions and reasons thereof on the following matters of the Company:</p> <p>(I) Nomination, appointment and removal of any director;</p> <p>(II) Appointment or removal of any senior management;</p> <p>(III) The remuneration of directors and senior management of the Company;</p> <p>(IV) Appointment and removal of any accounting firm;</p> <p>(V) Changes in accounting policies and accounting estimates or correction of material accounting errors by the reason other than the change in accounting standards;</p> <p>(VI) Non-standard unqualified auditing opinions on the financial and accounting reports and internal control of the Company issued by accounting firm;</p> <p>(VII) Internal control and appraisal report;</p> <p>(VIII) Relevant parties' plan for commitment change according to the provisions of Section IV of Chapter VII of Self- regulatory Guidelines for Listed Companies No. 2 of Shenzhen Stock Exchange – Standardized Operation of Listed Companies on the ChiNext Market;</p> <p>(IX) Influence of issuance of preferred shares on the interests of each class of shareholders;</p>	<p>Delete</p>

Before Amendment	After Amendment
<p>(X) The formulation, adjustment, decision procedure, implementation and information disclosure of the Company's cash dividend policy, and explanation of whether such policy results in damages to the legal interests of small and medium and small investors;</p> <p>(XI) Major matters concerning the disclosure of connected/related transactions, external guarantee (excluding the guarantees to subsidiaries within the scope of consolidated statements), consigned financial management, provision of financial assistance, the matters related to the use of proceeds, voluntary changes in accounting policies, and stock and its derivatives investment;</p> <p>(XII) Major assets restructuring plans, acquisitions of management, share incentive plans, employee shareholding plans, share repurchase plans and plans for debt repayment with non-cash assets by related party of listed company;</p> <p>(XIII) The Company's proposal for withdrawal of its shares from the stock exchange in the place where the shares of the Company are listed and traded;</p> <p>(XIV) Matters that in the opinion of independent non-executive directors may prejudice to the interests of the minority shareholders;</p> <p>(XV) Other circumstances as provided by laws, regulations, rules and regulations, the listing rules of the stock exchange of the place where the Company's shares are listed or the Articles of Association.</p>	

Before Amendment	After Amendment
—	<p>(Addition)</p> <p>Article 141 The following matters shall be submitted to the board of directors of the Company for deliberation with the consent of more than half of all independent non-executive directors of the Company:</p> <p>(I) Related transactions that should be disclosed;</p> <p>(II) Plans for the Company and relevant parties to change or waive commitments;</p> <p>(III) Decisions made and measures taken by the board of directors of the acquired listed company in relation to the acquisition;</p> <p>(IV) Other matters specified by law, administrative regulations, listing rules of the place where the shares of the Company are listed and/or the Articles of Association of the Company.</p>

Before Amendment	After Amendment
<p>Article 175 A work report shall be submitted to the annual general meeting of the Company by the independent non-executive directors. Such report shall set forth the following content:</p> <p>(I) His attendance at meetings of the Board throughout the year in terms of ways and number and his voting thereat, and the number of attendance at general meetings;</p> <p>(II) Independent opinions;</p> <p>(III) On-site inspection;</p> <p>(IV) Proposals for convening A meeting of the Board and employing or removing an accounting firm, independently employing an external auditor and an advisory body, and conducting on-site understanding and inspection;</p> <p>(V) Other measures taken by him/her to protect legitimate rights and interests of minority shareholders.</p>	<p>Article 143 A work report shall be submitted to the annual general meeting of the Company by the independent non-executive directors. Such report shall set forth the following content:</p> <p>(I) His attendance at meetings of the Board in terms of number and ways and his voting thereat, and the number of attendance at general meetings;</p> <p>(II) Participation in the work of special committees of the board of directors and special meetings of independent non-executive directors;</p> <p>(III) Review of relevant matters and exercise of special functions and powers of independent non-executive directors;</p> <p>(IV) Major matters, methods and results of communication with internal audit institutions and accounting firms undertaking audit services of the Company on the Company's financial and business conditions;</p> <p>(V) Communication with minority shareholders;</p> <p>(VI) The time and content of work in the Company;</p> <p>(VII) Other situations concerning the performance of duties.</p> <p>The annual work report of the independent non-executive director shall be disclosed at the latest when the Company issues the notice of the annual general meeting of shareholders.</p>

Before Amendment	After Amendment
<p>Article 176 The term of office for independent non-executive directors shall be the same as other directors of the Company, and they may offer themselves for re-election upon expiry of their term, but their re-appointment shall not exceed six (6) years.</p> <p>If an independent non-executive director fails to attend meetings of the Board in person for three (3) consecutive instances, the Board may propose to the general meeting to replace such independent non-executive director. Where any independent non-executive director is not qualified to be an independent non-executive director as required by laws, regulations and the Articles of Association of the Company or not suitable to perform duties of an independent non-executive director, the Board shall make a proposal to remove such director at the general meeting.</p> <p>Prior to expiry of the term of his/her office, an independent non-executive director may not be removed in the absence of proper reasons. In case of such removal prior to expiry of term of office, the Company shall make disclosure of such occurrence as a special item of disclosure.</p>	<p>Article 144 The term of office for independent non-executive directors shall be the same as other directors of the Company, and they may offer themselves for re-election upon expiry of their term, but their re-appointment shall not exceed six (6) years.</p> <p>Independent non-executive directors shall attend meetings of the Board in person. Where the independent non-executive director is unable to attend the meeting in person for any reason, such director shall review the meeting materials in advance, form a clear opinion, and entrust other independent non-executive directors to attend on his/her behalf in writing. If an independent non-executive director fails to attend the board meeting in person for two (2) consecutive instances, nor does he/she entrust another independent non-executive director to attend on his/her behalf, the Board of Directors shall, within thirty (30) days as of the date of such occurrence, propose to convene a general meeting of shareholders to remove such independent director.</p>

Before Amendment	After Amendment
—	<p>(Addition)</p> <p>Article 145 If an independent non-executive director fails to comply with the provisions of Article 138 of the Articles of Association, he or she shall immediately cease to perform his or her duties and resign from his or her office. If he fails to tender his resignation, the Board of Directors shall remove him from office in accordance with the provisions as soon as the Board of Directors knows or should have known of the occurrence of such fact.</p> <p>If an independent non-executive director resigns or is relieved of his/her duties as a result of the circumstances set forth in the preceding paragraph, resulting in the proportion of independent non-executive directors on the Board of Directors or its specialized committees not complying with the provisions of the Listing Rules of the place where the Company’s shares are listed or the Articles of Association, or if there is a shortage of accounting professionals among the independent non-executive directors, the Company shall complete the election of a replacement director within sixty (60) days from the date of the occurrence of the foregoing facts.</p> <p>Prior to the expiration of the term of office of an independent non-executive director, the Company may remove him or her from office in accordance with statutory procedures. If an independent non-executive director is dismissed in advance, the Company shall promptly disclose the specific reasons and justifications. If an independent non-executive director has any objections, the Company shall disclose them in a timely manner.</p>

Before Amendment	After Amendment
<p>Article 177 An independent non-executive director may resign before his/her term of office expires. In resigning his/her duties, an independent non-executive director shall tender a resignation to the Board, specifying any matter which is related to his/her resignation or which he/she considers necessary to bring to the attention of the Company’s shareholders and creditors. If the resignation of an independent non-executive director causes the number of independent non-executive directors in the Board of the Company to fall below the minimum requirements of the Articles of Association, the resignation of this independent non-executive director shall be effective only after the succeeding independent non-executive director has filled his/her vacancy.</p>	<p>Article 146 An independent non-executive director may resign before his/her term of office expires. In resigning his/her duties, an independent non-executive director shall tender a resignation to the Board, specifying any matter which is related to his resignation or which he considers necessary to bring to the attention of the Company’s shareholders and creditors. The Company shall disclose the reasons and concerns for the resignation of the independent non-executive director. If the resignation of an independent non-executive director causes the number of independent non-executive directors in the Board of the Company or specialized committees does not comply with the requirements of the Listing Rules of the place where the Company’s shares are listed or the Articles of Association, or if there is a lack of accounting professionals among the independent non-executive directors, the independent non-executive director who intends to resign shall continue to perform his or her duties until the date on which a new independent non-executive director is created. The Company shall complete the re-election of the independent non-executive directors within sixty days from the date of their resignation.</p>
<p>Article 180 A person who falls into any of the following circumstances shall not serve as the secretary to the Board of the Company:</p> <p>(I) Any of the circumstances stipulated in Article 146 of the Company Law;</p> <p>.....</p> <p>(VII) Other persons as stipulated in laws, regulations, normative documents, the listing rules of the stock exchange of the place where the Company’s shares are listed and the Articles of Association.</p> <p>.....</p>	<p>Article 149 A person who falls into any of the following circumstances shall not serve as the secretary to the Board of the Company:</p> <p>(I) Any of the circumstances stipulated in the Company Law that prohibits a person from serving as a director, supervisor, or senior manager of a company;</p> <p>.....</p> <p>(VII) Other persons as stipulated in laws, regulations, normative documents, the listing rules of the stock exchange of the place where the Company’s shares are listed and the Articles of Association.</p> <p>.....</p>

Before Amendment	After Amendment
<p>Article 186 The manager is accountable to the Board and exercises the following duties:</p> <p>(I) To take charge of the production operations and management tasks of the Company and organize the implementation of the Board’s resolutions, and to report his work to the Board;</p> <p>(II) To organize the implementation of the Company’s annual operating plan and investment plan;</p> <p>(III) To devise the set-up of the Company’s internal management structure;</p> <p>(IV) To devise the basic management policy of the Company;</p> <p>(V) To formulate the specific rules of the Company;</p> <p>(VI) To propose the appointment or removal of deputy managers and financial officers of the Company;</p> <p>(VII) To appoint or remove management personnel, aside from those requiring the Board in approving their appointment or removal;</p> <p>(VIII) Other duties as granted by the Company’s Articles of Association and the Board.</p> <p>The manager shall attend meetings of the Board, but if he/she is not a director, he/she shall not have voting rights at meetings of the Board.</p>	<p>Article 155 The manager is accountable to the Board and exercises the following duties:</p> <p>(I) To take charge of the production operations and management tasks of the Company and organize the implementation of the Board’s resolutions, and to report his work to the Board;</p> <p>(II) To organize the implementation of the Company’s annual operating plan and investment plan;</p> <p>(III) To devise the set-up of the Company’s internal management structure;</p> <p>(IV) To devise the basic management policy of the Company;</p> <p>(V) To formulate the specific rules of the Company;</p> <p>(VI) To propose the appointment or removal of deputy managers and financial officers of the Company;</p> <p>(VII) To appoint or remove management personnel, aside from those requiring the Board in approving their appointment or removal;</p> <p>(VIII) Other duties as granted by the Company’s Articles of Association and the Board.</p> <p>The manager shall attend meetings of the Board.</p>

Before Amendment	After Amendment
<p>Article 202 The Company shall have a Supervisory Committee. The Supervisory Committee shall consist of three (3) supervisors. Among them, two (2) are shareholder representative supervisors and one (1) is employee representative supervisor. The Supervisory Committee shall have one (1) chairman. The appointment and removal of the chairman of the Supervisory Committee shall be determined by the affirmative votes of two-thirds or more of the members of the Supervisory Committee. The chairman of the Supervisory Committee shall convene and preside over a meeting of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform his/her duties, a supervisor selected by more than one half of all supervisors shall convene and preside over the meeting of the Supervisory Committee.</p> <p>The Supervisory Committee shall consist of shareholder representatives and an appropriate proportion of the Company’s employee representatives and the percentage of employee representatives shall not be less than one-third. The employee representatives of the Supervisory Committee shall be elected by employees of the Company at the employee meeting, the employee representatives’ meeting, labour union or otherwise democratically.</p>	<p>Article 171 The Company shall have a Supervisory Committee. The Supervisory Committee shall consist of three (3) supervisors. Among them, two (2) are shareholder representative supervisors and one (1) is employee representative supervisor. The Supervisory Committee shall have one (1) chairman. The chairman of the Supervisory Committee shall be elected by more than half of all supervisors. The chairman of the Supervisory Committee shall convene and preside over a meeting of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform his/her duties, a supervisor selected by more than one-half of all supervisors shall convene and preside over the meeting of the Supervisory Committee.</p> <p>The Supervisory Committee shall consist of shareholder representatives and an appropriate proportion of the Company’s employee representatives and the percentage of employee representatives shall not be less than one-third. The employee representatives of the Supervisory Committee shall be elected by employees of the Company at the employee meeting, the employee representatives’ meeting, labour union or otherwise democratically.</p>

Before Amendment	After Amendment
<p>Article 203 Supervisors shall faithfully perform their supervisory obligations in accordance with laws, administrative regulations, the listing rules of the places where the shares of the Company are listed and the Articles of Association.</p> <p>The Supervisory Committee shall be accountable to the shareholders’ general meeting and the Supervisory Committee shall perform the following duties:</p> <p>(I) to review the Company’s reports prepared by the Board and to provide comments in writing;</p> <p>(II) to review the Company’s financial condition;</p> <p>(III) to examine the financial information such as the financial reports, business reports and plans for distribution of profits to be submitted by the Board to the shareholders’ general meetings, to engage certified public accountants or practicing auditors in the name of the Company to assist in the review whenever queries arise;</p> <p>(IV) to supervise the conducts of the directors and senior management in discharge of their duties and to advise on the dismissal of any director and senior management who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders’ general meetings;</p> <p>(V) to demand rectification from the directors and senior management of the Company where their conducts are detrimental to the interests of the Company;</p>	<p>Article 172 Supervisors shall faithfully perform their supervisory obligations in accordance with laws, administrative regulations, the listing rules of the places where the shares of the Company are listed and the Articles of Association.</p> <p>The Supervisory Committee shall be accountable to the shareholders’ general meeting and the Supervisory Committee shall perform the following duties:</p> <p>(I) To review the Company’s reports prepared by the Board and to provide comments in writing;</p> <p>(II) To review the Company’s financial condition;</p> <p>(III) To supervise the conducts of the directors and senior management in discharge of their duties and to advise on the dismissal of any director and senior management who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders’ general meetings;</p> <p>(IV) To demand rectification from the directors and senior management of the Company where their conducts are detrimental to the interests of the Company;</p> <p>(V) To propose to convene an extraordinary general meeting, and to convene and preside over the shareholders’ general meeting where the Board fails to perform its duties to convene or preside over a shareholders’ general meeting as required under the Company Law;</p>

Before Amendment	After Amendment
<p>(VI) to propose to convene an extraordinary general meeting, and to convene and preside over the shareholders’ general meeting where the Board fails to perform its duties to convene or preside over a shareholders’ general meeting as required under the Company Law;</p>	<p>(VI) To propose motions at a shareholders’ general meeting;</p> <p>(VII) To take legal actions against directors and senior management in accordance with the Company Law;</p>
<p>(VII) to propose motions at a shareholders’ general meeting;</p>	<p>(VIII) To conduct investigations whenever queries or unusual conditions in the operation of the Company arise and, if necessary, to engage professional institutions such as accounting firms and law firms to assist in their work with expenses to be borne by the Company;</p>
<p>(VIII) to take legal actions against directors and senior management in accordance with Article 151 of the Company Law;</p>	<p>(IX) Other duties as stipulated by the Articles of Association.</p>
<p>(IX) to conduct investigations whenever queries or unusual conditions in the operation of the Company arise and, if necessary, to engage professional institutions such as accounting firms and law firms to assist in their work with expenses to be borne by the Company;</p>	
<p>(X) other duties as stipulated by the Articles of Association.</p>	

Before Amendment	After Amendment
<p>Article 204 The Supervisory Committee shall meet at least once in every six (6) months. The chairman of the Supervisory Committee shall be responsible for convening the meeting. Supervisors can propose to convene an extraordinary supervisory committee meeting.</p> <p>The “one person one vote” policy shall be adopted in the voting of the Supervisory Committee; resolutions of the Supervisory Committee shall be passed by more than two thirds of the supervisors.</p> <p>The notice for convening a meeting or extraordinary meeting of the Supervisory Committee shall be served by: hand, mail, fax, e-mail, text message, electronic data exchange, etc., which can tangibly present the contents of the message; the time limit for notice shall be: notify or serve no later than (one) 1 day prior to the convening of the meeting or extraordinary meeting of the Supervisory Committee.</p>	<p>Article 173 The Supervisory Committee shall meet at least once every six (6) months. Supervisors can propose to convene an extraordinary supervisory committee meeting.</p> <p>The “one person one vote” policy shall be adopted in the voting of the Supervisory Committee; resolutions of the Supervisory Committee shall be passed by more than half of the supervisors.</p> <p>The notice for convening a meeting or extraordinary meeting of the Supervisory Committee shall be served by: hand, mail, fax, e-mail, text message, electronic data exchange, etc., which can tangibly present the contents of the message; the time limit for notice shall be: notify or serve not later than one (1) day prior to the convening of the meeting or extraordinary meeting of the Supervisory Committee.</p>
<p>Article 208 Reasonable expenses incurred by the Supervisory Committee in hiring lawyers, certified public accountants, practicing auditors and other professionals when exercising their functions and powers shall be borne by the Company.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 209 The following persons shall not serve as directors, supervisors, manager or other senior management of the Company:</p> <p>(I) persons without capacity for or with limited capacity for civil conduct;</p> <p>(II) persons who have committed offences relating to corruption, bribery, embezzlement of property, misappropriation of property or disruption of socialist economic order and have been sentenced to criminal punishment, where less than five (5) years has elapsed since the date of completion of the imprisonment, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five (5) years has elapsed since the date of enforcement;</p> <p>(III) persons who were former directors, factory managers or president (general manager) of a company or enterprise which was declared bankrupt and was liquidated due to mismanagement and who were personally liable for the bankruptcy of such company or enterprise, where less than three (3) years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p> <p>(IV) persons who were legal representatives of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who were personally liable, where less than three (3) years has elapsed since the date of the revocation;</p>	<p>Article 177 The following persons shall not serve as directors, supervisors, manager or other senior management of the Company:</p> <p>(I) persons without capacity for or with limited capacity for civil conduct;</p> <p>(II) persons who have committed offences relating to corruption, bribery, embezzlement of property, misappropriation of property or disruption of socialist economic order and have been sentenced to criminal punishment, where less than five (5) years has elapsed since the date of completion of the imprisonment, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five (5) years has elapsed since the date of enforcement;</p> <p>(III) persons who were former directors, factory managers or manager of a company or enterprise which was declared bankrupt and was liquidated due to mismanagement and who were personally liable for the bankruptcy of such company or enterprise, where less than three (3) years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p> <p>(IV) persons who were legal representatives of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who were personally liable, where less than three (3) years has elapsed since the date of the revocation;</p>

Before Amendment	After Amendment
<p>(V) persons who have a substantial amount of debts due and outstanding;</p> <p>(VI) persons who are under investigation of the judicial authority due to breach of criminal laws and the case is not closed;</p> <p>(VII) persons who are prohibited from acting as a leader of an enterprise by laws or administrative regulations;</p> <p>(VIII) persons other than a natural person;</p> <p>(IX) persons who have been punished by the CSRC through taking measures to ban them from the securities market for a period which has not yet expired;</p> <p>(X) persons who has been convicted by the competent authority for violation of securities regulations by acting fraudulently or dishonestly, where less than five (5) years has elapsed since the date of the conviction;</p> <p>(XI) other contents specified by laws, administrative regulations, departmental rules or listing rules of stock exchange of the place where the shares of the Company are listed.</p> <p>If a director is elected or appointed in violation of the provisions of this Article, the election, appointment or employment shall be invalid. Any director fulfilling the circumstances in this Article during his/her tenure shall be removed by the Company.</p>	<p>(V) persons who have a substantial amount of debts due and outstanding;</p> <p>(VI) persons other than a natural person;</p> <p>(VII) persons who have been punished by the CSRC through taking measures to ban them from the securities market for a period which has not yet expired;</p> <p>(VIII) persons who have been publicly recognized by the stock exchange where the Company's shares are listed as unsuitable for serving as a director, supervisor and senior management of the Company for a period that has not yet expired;</p> <p>(IX) other circumstances that prohibit a person from being a director, supervisor or senior management personnel of the Company as stipulated in laws, administrative regulations, departmental rules or listing rules of stock exchange of the place where the shares of the Company are listed.</p> <p>If a director is elected or appointed in violation of the provisions of this Article, the election, appointment or employment shall be invalid. Any director fulfilling the circumstances in this Article during his/her tenure shall be removed by the Company.</p>

Before Amendment	After Amendment
<p>Article 216 Unless otherwise provided by Article 63 of the Articles of Association, directors, supervisors, managers and other senior management of the Company may be relieved of liability for specific breaches of duties by the informed consent of shareholders at a shareholders' general meeting.</p>	<p>Article 184 Unless otherwise provided in the listing rules of the place where the Company's shares are listed, directors, supervisors, managers and other senior management of the Company may be relieved of liability for specific breaches of duties by the informed consent of shareholders at a shareholders' general meeting.</p>
<p>Article 225 The Company shall enter into a contract in writing with each director, supervisor and other senior management and such contract shall at least include, inter alia, the following provisions:</p> <p>(I) The directors, supervisors, president (chief executive officer) and other senior management shall undertake to the Company that he/she shall observe and comply with the Company Law, the Special Provisions, the Articles of Association, the Codes on Takeovers and Mergers, the Codes on Share Repurchase, and other regulations formulated by the Hong Kong Stock Exchange, and shall agree that the Company shall be entitled to the remedies provided in the Articles of Association and that neither the contract nor his/her office may be transferred;</p> <p>(II) The directors, supervisors, president and other senior management shall undertake to the Company that he/she shall observe and perform his/her duties to the shareholders as stipulated in the Articles of Association;</p> <p>(III) The arbitration clause shall be provided for in Article 287 hereof.</p>	<p>Article 193 The Company shall enter into a contract in writing with each director, supervisor and other senior management and such contract shall at least include, inter alia, the following provisions:</p> <p>(I) The directors, supervisors, president (chief executive officer) and other senior management shall undertake to the Company that he/she shall observe and comply with the Company Law, the Articles of Association, the Codes on Takeovers and Mergers, the Codes on Share Repurchase, and other regulations formulated by the Hong Kong Stock Exchange, and shall agree that the Company shall be entitled to the remedies provided in the Articles of Association and that neither the contract nor his/her office may be transferred;</p> <p>(II) The directors, supervisors, president and other senior management shall undertake to the Company that he/she shall observe and perform his/her duties to the shareholders as stipulated in the Articles of Association;</p> <p>The Company shall enter into a contract in writing with a director or supervisor to determine his/her emoluments subject to prior approval of general meeting. The above emoluments include:</p> <p>(I) emoluments in respect of his/her service as a director, supervisor or senior management of the Company;</p>

Before Amendment	After Amendment
<p>The Company shall enter into a contract in writing with a director or supervisor to determine his/her emoluments subject to prior approval of general meeting. The above emoluments include:</p> <p>(I) emoluments in respect of his/her service as a director, supervisor or senior management of the Company;</p> <p>(II) emoluments in respect of his/her service as a director, supervisor or senior management of a subsidiary of the Company;</p> <p>(III) emoluments in respect of other services for the management of the Company and its subsidiary;</p> <p>(IV) funds received by such directors or supervisors as compensation for their loss of office or for their retirement. A director or supervisor may not sue the Company for such benefits due to him on the grounds of the foregoing matters, except for under such contract as mentioned above.</p>	<p>(II) emoluments in respect of his/her service as a director, supervisor or senior management of a subsidiary of the Company;</p> <p>(III) emoluments in respect of other services for the management of the Company and its subsidiary;</p> <p>(IV) funds received by such directors or supervisors as compensation for their loss of office or for their retirement. A director or supervisor may not sue the Company for such benefits due to him on the grounds of the foregoing matters, except for under such contract as mentioned above.</p>

Before Amendment	After Amendment
<p>Article 226 The contract regarding emoluments entered into by and between the Company and its directors and supervisors shall provide that in the event of a takeover of the Company, the Company’s directors and supervisors shall, subject to the prior approval of the shareholders’ general meeting, have the rights to receive compensation or other payment for loss of their office or for their retirement. For the purposes of the preceding paragraph, the term “a takeover of the Company” shall refer to any of the following occasions:</p> <p>(I) anyone makes a tender offer to all the shareholders;</p> <p>(II) anyone making a tender offer aims at that the offer or becomes a controlling shareholder.</p> <p>The term “controlling shareholder” has the same definition as that provided in Article 65 of the Articles of Association.</p> <p>If the relevant director or supervisor fails to comply with this Article, any fund received by him/her shall belong to those persons that have sold their shares as a result of their acceptance of foregoing offer, and the expenses incurred from the distribution of such fund on a pro rata basis shall be borne by the relevant director and supervisor and may not be paid out of such fund.</p>	<p>Article 194 The contract regarding emoluments entered into by and between the Company and its directors and supervisors shall provide that in the event of a takeover of the Company, the Company’s directors and supervisors shall, subject to the prior approval of the shareholders’ general meeting, have the rights to receive compensation or other payment for loss of their office or for their retirement. For the purposes of the preceding paragraph, the term “a takeover of the Company” shall refer to any of the following occasions:</p> <p>(I) anyone makes a tender offer to all the shareholders;</p> <p>(II) anyone making a tender offer aims at that the offeror becomes a controlling shareholder which has the same definition as that provided in Article 64 of the Articles of Association.</p> <p>The “controlling shareholder” referred to in the preceding paragraph is a person who meets one of the following conditions:</p> <p>(I) The person, acting alone or in concert with others, may elect more than half of the directors;</p> <p>(II) The person, acting alone or in concert with others, may exercise more than thirty percent (30%) of the voting power of the company or may control the exercise of more than thirty percent (30%) of the voting power of the company;</p>

Before Amendment	After Amendment
	<p>(III) The person, acting alone or in concert with others, holds more than thirty percent (30%) of the issued and outstanding shares of the Company;</p> <p>(IV) The person, acting alone or in concert with others, otherwise exercise de facto controls on the company.</p> <p>If the relevant director or supervisor fails to comply with this Article, any fund received by him/her shall belong to those persons that have sold their shares as a result of their acceptance of foregoing offer, and the expenses incurred from the distribution of such fund on a pro rata basis shall be borne by the relevant director and supervisor and may not be paid out of such fund.</p>
<p>Article 229 The Board of the Company shall submit the financial reports prepared by the Company as required by the laws, administrative regulations and statutory documents promulgated by local governments and competent authorities to the shareholders at every annual general meeting.</p>	<p>Deleted</p>
<p>Article 230 The Company’s financial reports shall be made available for shareholders’ inspection at the Company twenty (20) days before the date of every annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 231 The financial statements of the Company shall, in addition to being prepared in accordance with the PRC Accounting Standards for Business Enterprises and regulations, be prepared in accordance with either international accounting standards, or those of the place outside China where the Company's shares are listed. If there is any material difference between the financial statements prepared in accordance with the two accounting standards, such difference shall be stated in the notes to the financial statements. When the Company is to distribute its after-tax profits for relevant accounting years, the lower of the after tax-profits as shown in the two financial statements shall be adopted.</p> <p>Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC Accounting Standards for Business Enterprises and regulations, and also in accordance with either international accounting standards or those of the place where the Company's shares are listed.</p>	<p>Deleted</p>
<p>Article 233 Capital reserve includes the following items:</p> <p>(I) premium on shares issued at a premium price;</p> <p>(II) any other income designated for the capital reserve by the regulations of the finance regulatory department of the State Council.</p>	<p>Deleted</p>
<p>Article 236 After the profit distribution plan has been adopted at the Company's general meeting, the board of directors of the Company shall complete the dividend (or share) distribution within two months after the general meeting.</p>	<p>Article 200 After the profit distribution plan has been adopted at the Company's general meeting, the board of directors of the Company shall complete the dividend (or share) distribution within two months after the general meeting; or after the Company's Board of Directors has formulated a specific plan in accordance with the conditions and upper limit of the next year's interim dividend distribution as considered and approved by the annual general meeting, the Company's Board of Directors shall complete the dividend (or share) distribution within 2 months.</p>

Before Amendment	After Amendment
<p>Article 237 The profit distribution policy of the Company is as follows:</p> <p>(I) Principle of profit distribution</p> <p>The Company implements a sustainable and stable profit distribution policy. The specific profit distribution method should be determined based on the Company’s profit realization condition, cash flow condition and capital scale. The Board and the general meeting of the Company shall fully consider the opinions of the independent non-executive directors and the public investors in the decision-making and demonstration process of the profit distribution policy.</p> <p>.....</p>	<p>Article 201 The profit distribution policy of the Company is as follows:</p> <p>(I) Principle of profit distribution</p> <p>The Company implements a sustainable and stable profit distribution policy. The specific profit distribution method should be determined based on the Company’s profit realization condition, cash flow condition and capital scale. The Board and the general meeting of the Company shall fully consider the opinions of the independent non-executive directors and the public investors in the decision-making and demonstration process of the profit distribution policy.</p> <p>The objective of the Company’s plan for cash dividend is to stabilize dividend growth.</p> <p>When the audit report of the Company for the most recent year is unqualified or unqualified with a paragraph on material uncertainties relating to going concern, or when the year-end gearing ratio exceeds 70%, or when the net cash flow from operating activities for the current year is negative, or when the Company has significant investment plan or significant capital expenditure within the next twelve months, and the payment of cash dividends may result in the cash flow of the Company not being able to satisfy the investment or operating needs of the Company, or when there are other circumstances stipulated by laws and regulations or the rules of the Shenzhen Stock Exchange, etc., no profit distribution may be made.</p> <p>.....</p>

Before Amendment	After Amendment
<p>(IV) Interval of profit distribution</p> <p>On the basis of meeting the cash dividend conditions, the Company, in principle, adopts an annual profit distribution policy. If the semi-annual net profit in the current year exceeds the annual net profit of the previous year, the Board of the Company may propose an interim profit distribution plan, which shall be submitted to the general meeting of the Company for consideration.</p> <p>.....</p>	<p>(IV) Interval of profit distribution</p> <p>On the basis of meeting the cash dividend conditions, the Company, in principle, adopts an annual profit distribution policy. When the annual general meeting of the Company is convened to consider the annual profit distribution plan, it may consider and approve the conditions, the upper limit of the ratio and the upper limit of the amount of the cash dividend for the next year's interim period. The upper limit of the next year's interim cash dividend to be considered at the annual general meeting shall not exceed the net profit attributable to the shareholders of the Company for the corresponding period. The Board of Directors shall formulate a specific interim cash dividend program in accordance with the resolution of the shareholders' meeting subject to the conditions for profit distribution.</p> <p>.....</p>

Before Amendment	After Amendment
<p>(VI) Decision-making procedure and mechanism for the profit distribution plan</p> <p>1. After taking various factors into account, including the Company’s industry features, development stages, business model and profitability as well as its capital requirement, the Board of the Company shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company’s decision-making procedure and other matters, and propose a profit distribution plan, which will be submitted to the general meeting for approval after the independent non-executive directors provide definite opinions on it. Independent non-executive directors may solicit the opinions of minority shareholders, present cash dividend proposals and submit them directly to the Board for deliberation.</p> <p>.....</p> <p>5. After the profit distribution plan has been adopted at the Company’ general meeting, the board of directors of the Company shall complete the dividend (or share) distribution within two months after the general meeting.</p> <p>.....</p>	<p>(VI) Decision-making procedure and mechanism for the profit distribution plan</p> <p>1. After taking various factors into account, including the Company’s industry features, development stages, business model and profitability as well as its capital requirement, the Board of the Company shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company’s decision-making procedure and other matters, and propose a profit distribution plan. Independent non-executive directors shall be entitled to express their independent opinions if they consider that the specific plan for cash dividends may prejudice the interests of the Company or the small and medium-sized shareholders. If the Board of Directors does not adopt or does not fully adopt the opinion of the independent non-executive directors, it shall record the opinion of the independent non-executive directors and the specific reasons for non-adoption and disclose the same in the resolution of the Board of Directors.</p> <p>.....</p>

Before Amendment	After Amendment
<p>(VII) Modification mechanism of the Company's profit distribution policy</p> <p>If the Company should adjust the profit distribution policy due to changes in the external environment or its own operations, investment planning and long-term development, the Company can make adjustments on the profit distribution policy. The Company should adjust the profit distribution policy on the basis of protecting the shareholders' interests and the Company's interests as a whole and taking full consideration the opinions of shareholders, particularly, minority shareholders and independent non-executive directors. The Board will formulate a new profit distribution policy after making research and demonstration, which will be submitted to the general meeting for consideration and approval after the independent non-executive directors provide definite opinions on it.</p>	<p>(VII) Modification mechanism of the Company's profit distribution policy</p> <p>If the Company should adjust the profit distribution policy due to changes in the external environment or its own operations, investment planning and long-term development, the Company can make adjustments on the profit distribution policy. The Company should adjust the profit distribution policy on the basis of protecting the shareholders' interests and the Company's interests as a whole and taking full consideration the opinions of shareholders, particularly, minority shareholders and independent non-executive directors. The Board will formulate a new profit distribution policy after making research and demonstration, which will be submitted to the general meeting for consideration and approval When voting at a general meeting of shareholders, internet voting shall be arranged, and the independent non-executive directors may solicit from the shareholders of the Company's public shares their voting rights at the general meeting of shareholders prior to the general meeting of shareholders.</p>
<p>Article 238 The Company shall appoint receiving agents on behalf of the holders of the H Shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of such shares.</p> <p>The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed. The receiving agents appointed on behalf of holders of the H Shares listed in the Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>	<p>Article 202 The Company shall appoint receiving agents on behalf of the holders of the H Shares to receive and hold the dividends declared and all other monies owing by the Company in respect of such shares of the overseas listed foreign shares on behalf of the shareholders of the overseas listed foreign shares, pending payment to the shareholders of the overseas listed foreign shares.</p> <p>The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed. The receiving agents appointed on behalf of holders of the H Shares listed in the Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>

Before Amendment	After Amendment
<p>Article 243 The accounting firm appointed by the Company shall have the following rights:</p> <p>(I) to inspect the accounting books, records and vouchers of the Company at any time; to require the directors, managers or other senior management of the Company to provide relevant information and explanation;</p> <p>(II) to require the Company to take all reasonable steps to obtain from the Company's subsidiaries such information and explanation as are necessary for the purpose of discharging its duties;</p> <p>(III) to attend the shareholders' general meetings and to receive all notices of, and other information relating to, the meeting that any shareholder is entitled to, and to speak at any shareholders' general meeting in relation to matters concerning its role as the Company's appointed accounting firm.</p>	Deleted
<p>Article 244 If there is a vacancy in the position of the accounting firm, any other accounting firm which has been engaged by the Company may continue to act in the period of vacancy.</p>	Deleted
<p>Article 245 Notwithstanding the terms set out in the contract between the accounting firm and the Company, shareholders at the shareholders' general meeting may, by way of ordinary resolution, resolve to remove such accounting firm before the expiration of its term of office, but without prejudice to the rights of the firm to claim for damages in respect of such removal.</p>	Deleted
<p>Article 247 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders' general meeting. The remuneration of an accounting firm appointed by the board of directors shall be determined by the board of directors.</p>	Deleted

Before Amendment	After Amendment
<p>Article 248 The auditing fee of the accounting firm shall be determined by the shareholders' general meeting or other organizations independent of the board of directors.</p> <p>Article 249 The appointment, removal and non-reappointment of an accounting firm shall be resolved by shareholders at the shareholders' general meeting. The resolution of the shareholders' general meeting shall be filed with the CSRC.</p> <p>30 days' prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm is considered at the shareholders' general meeting of the Company.</p> <p>Where it is intended to pass a resolution at a shareholders' general meeting to appoint an accounting firm which is not holding a currency position to fill any vacancy of the position of the accounting firm, or to renew the engagement of an accounting firm engaged by the board of directors to fill up the vacancy, or to dismiss an accounting firm before the expiry of its term of appointment, such matters shall be handled pursuant to the following provisions:</p> <p>(I) Before dispatch of the shareholders' general meeting notice, the proposal on the appointment or dismissal is delivered to the accounting firm to be appointed or to leave its office or already retired in the relevant fiscal year. Leaving office shall include the dismissal, resignation and retirement for an accounting firm;</p>	<p>Article 208 The auditing fee of the accounting firm shall be determined by the shareholders' general meeting or other organization independent from the board of directors.</p> <p>30 days' prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm is considered at the shareholders' general meeting of the Company.</p> <p>Where the accounting firm resigns, it shall make clear to the shareholders' general meeting whether there is any impropriety on the part of the Company.</p>

Before Amendment	After Amendment
<p>(II) If the accounting firm to leave its office makes any statement in writing and requires the statement to be informed to shareholders by the Company, unless being too late for the receipt of such statement, the Company shall take the following measures:</p> <ol style="list-style-type: none"> 1. Making instructions on the notice to the resolution that the leaving accounting firm has made such a statement; 2. Copies of such a statement as the annex to the notice shall be sent to shareholders in such manner set forth in the Articles of Association; <p>(III) If the Company fails to deliver such statement made by the relevant accounting firm in accordance with the provisions in item (II) of this Article, the accounting firm concerned may require the statement to be read out at the shareholders' general meeting and make further complaints;</p> <p>(IV) The accounting firm to leave office is entitled to attend the following meetings:</p> <ol style="list-style-type: none"> 1. the shareholders' general meeting at which its term of office shall expire; 2. the shareholders' general meeting at which the corresponding vacancy caused by its dismissal shall be filled; 3. the shareholders' general meeting convened for the resignation that it takes initiative to render. 	

Before Amendment	After Amendment
<p data-bbox="240 293 785 480">The accounting firm to leave office is entitled to receive all notices or other information related to the foregoing meetings, and to speak at the foregoing meetings regarding such matters related to it as the former accounting firm of the Company.</p> <p data-bbox="240 534 785 640">Where the accounting firm resigns, it shall make clear to the shareholders' general meeting whether there is any impropriety on the part of the Company.</p> <p data-bbox="240 693 785 921">An accounting firm may resign its office by depositing a written resignation notice at the legal address of the Company. The resignation notice shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:</p> <p data-bbox="240 974 785 1161">(I) a statement to the effect that there are no circumstances in connection with its resignation which should be brought to the notice of the shareholders or creditors of the Company; or</p> <p data-bbox="240 1215 785 1278">(II) a statement of other circumstances considered necessary.</p>	

Before Amendment	After Amendment
<p>The Company shall deliver a copy of the notice to the relevant competent authorities within 14 days after receipt of such notice. If the notice contains the statement mentioned in item (II) under the preceding Article, the Company shall keep a duplicate of such statement in the Company and make it available to the shareholders. The Company shall also send a duplicate of such statement to each shareholder who has the right to receive the financial report of the Company through mail with prepaid postage to the addresses registered in the list of shareholders. If the notice of resignation of the accounting firm contains the statement referred in item (II) of paragraph II under this Article, the accounting firm may require the board of directors to hold an extraordinary general meeting to hear the explanation about relevant situations concerning its resignation.</p>	
<p>Article 263 For the merger or division of the Company, the board of directors of the Company shall put forth a plan. After it is approved in the procedure specified in the Articles of Association, relevant examination and approval formalities shall be completed according to law. The shareholders who object to the merger or division plan of the Company shall have the right to require the Company or the shareholders who agree to the merger or division plan of the Company to purchase their shares at a fair price. The content of the resolution on merger or division of the Company shall be made into a special document, for the reference of shareholders. The aforesaid document shall also be served to each holder of overseas listed foreign shares by mail or by other means permitted by the Stock Exchange of Hong Kong.</p>	Deleted

Before Amendment	After Amendment
<p>Article 264 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days from the date of the Company’s merger resolution and shall announce at least three times in newspapers within 30 days from the date of the Company’s merger resolution. The creditors may require the Company to repay debts or provide corresponding guarantees within thirty days after receipt of the notice or within forty-five days after the announcement if the creditors haven’t received the notice.</p>	<p>Article 222 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten days from the date of the Company’s merger resolution and shall announce in newspapers within 30 days from the date of the Company’s merger resolution. The creditors may require the Company to repay debts or provide corresponding guarantees within thirty days after receipt of the notice or within forty-five days after the announcement if the creditors haven’t received the notice.</p>
<p>Article 266 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division, the parties to the division shall sign a division agreement and a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within ten days from the date of the Company’s resolution to divide and shall announce at least three times in newspapers or the information disclosure media designated by the Company within 30 days from the date of the Company’s resolution to divide.</p>	<p>Article 224 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division, the parties to the division shall sign a division agreement and a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within ten days from the date of the Company’s resolution to divide and shall announce in newspapers or the information disclosure media designated by the Company within 30 days from the date of the Company’s resolution to divide.</p>
<p>Article 272 If the Board decides that the Company shall be liquidated (except for such liquidation as a result of the Company’s declared bankruptcy), the notice of the shareholders’ general meeting convened for such purpose shall include a statement to the effect that the Board has made full inquiry into the position of the Company and that the Board is of the opinion that the Company can pay off its debts in full within 12 months after the liquidation has commenced. Upon passing of the resolution to liquidate the Company at the shareholders’ general meeting, the functions and powers of the Board shall cease immediately. The liquidation team shall take instructions from the shareholders’ general meeting and shall report to the shareholders’ general meeting on the liquidation team’s income and expenditure, the business of the Company and the progress of the liquidation at least once per year. It shall make a final report to the shareholders’ general meeting upon the completion of such liquidation.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 277 Following the completion of the liquidation of the Company, the liquidation team shall prepare a liquidation report, a revenue and expenditure statement and financial accounts in respect of the liquidation period and, after verification thereof by a certified public accountant in China, such committee shall submit the same to the shareholders' general meeting or the people's court for confirmation. And within 30 days from the date of said confirmation made by the shareholders' general meeting or the people's court, the Company shall submit the same to the company registration authority to apply for de-registration of the Company, and to announce that the Company is terminated.</p>	<p>Article 234 Following the completion of the liquidation of the Company, the liquidation team shall prepare a liquidation report, such committee shall submit the same to the shareholders' general meeting or the people's court for confirmation. And the Company shall submit the same to the company registration authority to apply for de-registration of the Company, and to announce that the Company is terminated.</p>
<p>Article 281 Amendment to the Articles of Association passed by resolutions at the shareholders' general meeting shall be required to be examined and approved by the competent authorities, and shall be submitted to the competent authorities for approval.</p>	<p>Article 238 Amendment to the Articles of Association passed by resolutions at the shareholders' general meeting shall be required to be examined and approved by the competent authorities, and shall be submitted to the competent authorities for approval; if it involves matters of company registration, the change shall be registered in accordance with the law.</p>
<p>Article 282 Amendments to the Articles of Association involving the Mandatory Provisions shall become effective upon approval by the company examination departments authorized by the State Council and securities administration departments of the State Council; should the registration of the Company be involved, the change to such registration shall be handled according to laws.</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>Article 285 The Company shall comply with the following rules in settling disputes:</p> <p>(I) Whenever any disputes or claims concerning the affairs of the Company arise from any rights or obligations as provided in the Articles of Association, contracts concluded in accordance with the Articles of Association, the Company Law and other relevant laws and administrative regulations between the Company and a director or supervisor or senior management of the Company, between a holder of overseas-listed foreign shares and the Company, between a holder of overseas-listed foreign shares and a director or supervisor or senior management of the Company, and between a holder of overseas-listed foreign shares and a holder of domestic shares, the parties concerned shall resolve such disputes and claims through arbitration. Where a dispute or claim described above is submitted for arbitration, the entire dispute or claim shall be resolved through arbitration; all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, if they are shareholders, directors, supervisors or senior management of the Company or the Company, shall submit to arbitration. Disputes over who is a shareholder and over the share register do not have to be resolved through arbitration;</p>	<p>Deleted</p>

Before Amendment	After Amendment
<p>(II) The party seeking arbitration may elect to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must submit to the arbitral body selected by the party seeking the arbitration;</p> <p>(III) If the party seeking arbitration elects to arbitrate the dispute or claim at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre;</p> <p>(IV) If any disputes or claims are settled by way of arbitration in accordance with Item (I), the laws of the People's Republic of China shall apply, except as otherwise provided in the laws and administrative regulations;</p> <p>(V) The award of the arbitral body is final and shall be binding on the parties thereto;</p> <p>(VI) The arbitration agreement shall be reached by directors or senior management and the Company which represents both itself and each of the shareholders;</p> <p>(VII) Any arbitration submitted shall be deemed as authorizing the arbitration tribunal to conduct a public hearing and announce its verdict (save as otherwise provided in the laws, regulations and the Articles of Association).</p>	

Before Amendment	After Amendment
<p>Article 286 Definitions</p> <p>(I) Controlling shareholder: refers to a shareholder who may elect a majority of directors when acting separately or consistently with others; or a shareholder who holds more than 30% of the shares externally issued by the Company when acting separately or consistently with others; or a shareholder who may exercise more than 30% of the voting rights of the Company or may control the exercising of more than 30% of the voting rights of the Company when acting separately or consistently with others; or a shareholder who factually controls the Company by other means when acting separately or consistently with others.</p> <p>(II) De facto controller: A person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangement.</p> <p>(III) Connected relations: Relations between a controlling shareholder, de facto controller, director, supervisor or senior management officer of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the State.</p>	<p>Article 241 Definitions</p> <p>(I) Controlling shareholder: refers to a shareholder who may elect a majority of directors when acting separately or consistently with others; or a shareholder who holds more than 30% of the shares externally issued by the Company when acting separately or consistently with others; or a shareholder who may exercise more than 30% of the voting rights of the Company or may control the exercising of more than 30% of the voting rights of the Company when acting separately or consistently with others; or a shareholder who factually controls the Company by other means when acting separately or consistently with others.</p> <p>(II) De facto controller: A person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangement.</p> <p>(III) Connected relations: Relations between a controlling shareholder, de facto controller, director, supervisor or senior management officer of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the State.</p> <p>(IV) People’s courts are State organs that independently exercise judicial power on behalf of the People’s Republic of China in accordance with the relevant laws and regulations of the People’s Republic of China (excluding Hong Kong, Macao and Taiwan).</p>

PHARMARON BEIJING CO., LTD.

The Rules of Procedure for the General Meetings

Chapter 1 General Provisions

Article 1 The Rules of Procedure for General Meetings (these “**Rules**”) are hereby formulated and enacted in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China (the “**Securities Law**”), the Special Provisions of the State Council 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) (the “**Special Provisions**”), the Mandatory Provisions of Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款) (the “**Mandatory Provisions**”), the Letter of Opinions on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong (關於到香港上市對公司章程作補充修改的意見的函) (the “**Letter of Opinions on Amendments**”), the Reply of the State Council on the Adjustment of Notice Period for and Other Matters Concerning Shareholders’ General Meeting of Overseas Listed Companies (Guo Han [2019] No. 97) (國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆(國函[2019]97號)), the listing rules of the stock exchanges where shares in the Company are listed (including but not limited to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), and the Articles of Association of Pharmaron Beijing Co., Ltd. (the “**Articles of Association**”) for the purpose of regulating the activities of the Company and ensuring that the general meeting exercises its functions and powers.

Article 2 The Company shall convene a general meeting in strict accordance with laws, administrative regulations, the listing rules of the stock exchanges where shares in the Company are listed, the Articles of Association, and relevant provisions of these Rules, to ensure that shareholders exercise their rights in accordance with laws.

The Board of the Company shall earnestly perform its duties and organize the general meeting in a conscientious and timely manner. Each and every director of the Company shall act diligently and responsibly to ensure general meetings are properly convened and the functions and powers of general meetings are legitimately exercised.

Article 3 The general meeting shall exercise its functions and powers within the scope specified by the Company Law and other laws, administrative regulations, ministerial rules, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association.

Article 4 General meetings include annual general meetings and extraordinary general meetings. An annual general meeting shall be convened once every year within six months after the end of the previous fiscal year.

Where the Company cannot hold the general meeting within the above-mentioned time limit, the Company shall make public disclosure and file with the CSRC's local branch in the locality of the Company and the stock exchanges of the places where shares in the Company are listed.

Article 5 Extraordinary general meetings are held on an irregular basis. The Company shall hold an extraordinary general meeting within two months upon the occurrence of any of the following events:

- (I) The number of directors is less than two-thirds of that stipulated in the Company Law or the Articles of Association;
- (II) Uncovered losses of the Company amount to one-third of its total paid up share capital;
- (III) Shareholders individually or jointly holding 10% or more of the shares in the Company, on a one vote per share basis, propose an extraordinary general meeting;
- (IV) The Board considers it necessary to hold an extraordinary general meeting;
- (V) The Supervisory Committee proposes an extraordinary general meeting; or
- (VI) Any other circumstances as provided by laws, administrative regulations, ministerial rules, the listing rules of a place where shares in the Company are listed or the Articles of Association.

The shareholdings referred to in item (III) above shall be calculated as at the date of written proposal of the shareholders.

Article 6 The Company shall, when holding a general meeting, engage lawyers to issue legal opinions and make announcements with respect to the following issues:

- (I) Whether the procedures for convening and holding of the meeting are in compliance with laws, administrative regulations, these Rules and the Articles of Association;
- (II) Whether the attendees and the convener are legally and validly qualified;
- (III) Whether the voting procedures and voting results of the meeting are legal and valid;
and
- (IV) Other relevant issues as requested by the Company.

Chapter 2 Convening of General Meetings

Article 7 The Board shall duly convene a general meeting within the time limit specified in these Rules.

Article 8 An independent non-executive director may propose an extraordinary general meeting to the Board, provided that the proposal shall be made in writing. Within ten days after receiving the proposal, the Board shall, pursuant to laws, administrative regulations, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association, give a written reply on whether it agrees to hold the extraordinary general meeting.

If the Board agrees to hold the extraordinary general meeting, it will issue a notice of meeting within five days after passing a resolution thereon. In the event that the Board does not agree to hold the meeting, it shall state the reason therefor.

Article 9 The Supervisory Committee may propose an extraordinary general meeting to the Board, provided that the proposal shall be made in writing. Within ten days after receiving the proposal, the Board shall, pursuant to laws, administrative regulations, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association, give a written reply on whether it agrees to hold the extraordinary general meeting.

If the Board agrees to hold the extraordinary general meeting, it will issue a notice of meeting within five days after passing a resolution thereon. If the notice makes any change to the proposal, consent shall be obtained from the Supervisory Committee.

In the event that the Board does not agree to hold the extraordinary general meeting or does not give a reply within ten days after receiving the proposal, the Board shall be deemed as unable or failing to perform its duty of convening a general meeting, in which case the Supervisory Committee may convene and preside over the meeting by itself.

Article 10 Shareholders who propose a general meeting shall act in accordance with the following procedures:

- (I) Two or more shareholders individually or jointly holding 10% or more of shares with a right to vote at an extraordinary general meeting or a class meeting, on a one vote per share basis, may propose the meeting to the Board by signing a written proposal in one or more copies prepared in the same form and content stating the matters to be discussed at the meeting. The shareholdings referred to above shall be calculated as at the date of the written proposal. Within ten days after receiving the proposal, the Board shall, pursuant to laws, administrative regulations, and the Articles of Association, give a written reply on whether it agrees to hold the meeting.

- (II) If the Board agrees to hold the extraordinary general meeting or class meeting, it shall issue a notice of meeting within five days after passing a resolution thereon. If the notice makes any change to the written proposal, consent shall be obtained from the proposing shareholders. Where any law, regulation or rule or any enactment made by the securities regulator of the place where shares in the Company are listed provides otherwise, such law, regulation, rule or enactment shall prevail.
- (III) In the event that the Board does not agree to hold the extraordinary general meeting or class meeting or does not give a reply within ten days after receiving the proposal, shareholders individually or jointly holding 10% or more of shares in the Company, on a one vote per share basis, may propose the extraordinary general meeting or class meeting to the Supervisory Committee, provided that such proposal shall be made in writing. If the Supervisory Committee agrees to hold the extraordinary general meeting or class meeting, it shall issue a notice of meeting within five days after receiving the proposal. If the notice makes any change to the proposal, consent shall be obtained from the proposing shareholders. In the case of that the Supervisory Committee disagreed to convene the general meeting or a class meeting of shareholders, or failed to issue a notice of meeting within the given time frame, it shall be deemed as the failure of the Supervisory Committee to convene and preside over the meeting, in which case, shareholders who have individually or jointly held 10% or more of shares in the Company for 90 or more consecutive days may convene and preside over the meeting. Reasonable expenses incurred by the shareholders in convening and holding the meeting due to failure of the Board to convene the same as proposed shall be borne by the Company and deducted from amounts owed by the Company to the defaulting directors.

Article 11 If the Supervisory Committee or shareholders decide to convene a general meeting by itself/themselves, it/they shall notify the Board ~~of directors of the same~~ in writing and at the same time file the same with the Shenzhen Stock Exchange in accordance with the relevant regulations. ~~where shares in the Company are listed.~~

The total shareholding of the convening shareholders shall not be lower than 10% during the period from the issue date of the notice of meeting to the closing date of the meeting.

Upon the issue of the notice of meeting and the announcement of resolutions passed at the meeting, the Supervisory Committee or the convening shareholders shall file relevant supporting documents with the Shenzhen Stock Exchanges in accordance with the relevant regulations.

Article 12 The Board and the secretary to the Board shall provide assistance and necessary support for and perform their information disclosure obligations in a timely manner with respect to a general meeting convened by the Supervisory Committee or shareholders. The Board shall provide the register of shareholders as of record date. If the Board does not provide the register of shareholders, the convener may request the same from the securities registration

and clearing institution of the place where shares in the Company are listed in accordance by presenting the institution with the announcement about notice of the meeting. The register of shareholders obtained by the convener shall not be used for any purpose other than for holding of the general meeting.

Article 13 Expenses necessary for holding a general meeting by the Supervisory Committee or shareholders shall be borne by the Company and deducted from amounts owed by the Company to the defaulting directors.

Chapter 3 Motions and Notices of General Meetings

Article 14 Content of a motion shall be within the terms of reference of a general meeting, contain specific matters to be discussed and specific matters to be resolved on, and comply with laws, administrative regulations, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association. The motion shall be submitted or sent to the Board in writing.

Article 15 When the Company holds a general meeting, the Board, the Supervisory Committee or shareholders individually or jointly holding 3% or more of the shares in the Company on a one vote per share basis shall have the right to put forward motions to the Company. A shareholder who proposes ex tempore motions shall present any evidence proving that he or she holds more than 3% of the shares of the Company to the convener. A shareholder who jointly proposes motions with other shareholders by authorization shall present a written authorization documents to the authorized shareholder.

Shareholders individually or jointly holding 3% or more of the shares in the Company on a one vote per share basis may propose an interim motion in writing to the convener of the general meeting ten days before the meeting is held. The proposal of ex tempore motions shall include: the name of proposal, particulars of proposal, a statement of the proposer that the proposal is in compliance with the rules of the general meeting of the listed company and the relevant provisions of the listing rules of the stock exchange where the Company's shares are listed, and a declaration that the proposer warrants the authenticity of the evidence of shareholdings and the power of attorney provided by himself or herself. The convener shall, within two days upon receipt of the motion, issue a supplementary notice of the general meeting, stating the content of the interim motion.

Except for circumstances described in the above paragraph, the convener shall not revise any motions stated in the notice of the general meeting or add any new motions after issuing the notice.

The general meeting shall not vote or resolve on any motion that is not included in the notice or is inconsistent with Article 15 hereof.

A shareholder who proposes ex tempore motions at the general meeting shall in no event fall into the following circumstance:

- (I) The shareholder making proposals does not meet requirements on the qualification of subject such as shareholding ratio;
- (II) The specified time limit for making the proposal is exceeded;
- (III) The proposal does not fall within the scope of authority of the general meeting;
- (IV) The proposal does not carry specific subjects and matters to be resolved;
- (V) The proposal is in violation of the laws and regulations and the relevant provisions of the listing rules of the stock exchange where the Company's shares are listed;
- (VI) The proposal does not meet the provisions of the Articles of Association.

Article 16 The convener of an annual general meeting shall notify shareholders of the meeting by announcement 20 days before the meeting is held; the convener of an extraordinary general meeting shall notify shareholders of the meeting by announcement 15 days before the meeting is held. Such period does not include the date on which the meeting is held but shall include the date on which the notice of meeting is sent.

Article 17 After the notice of a general meeting is sent and before the meeting is held, the convener may issue a reminder of the meeting in accordance with the Company Law and other relevant regulations.

Article 18 The notice and any supplementary notice of a general meeting shall fully and completely disclose the details of all the motions, and all the materials or explanations necessary for the shareholders to make reasonable judgments on the matters to be discussed. If any matter to be discussed requires opinions of an independent non-executive director, the opinions of such director and the reasons therefor shall be disclosed in such notice or supplementary notice.

Article 19 Where matters relating to election of any directors or supervisors are to be discussed at a general meeting, the notice of the meeting shall fully disclose detailed information about candidates for such directors or supervisors, which shall at least include the following:

- (I) Their personal particulars, such as education background, work experiences and any part-time jobs;
- (II) Whether they have any connected relationship with the Company or any controlling shareholder or actual controller of the Company;

- (III) Number of shares held by each of them in the Company;
- (IV) Whether the candidates have been penalized or reprimanded by competent authorities; and
- (V) Whether the candidates meet relevant requirements of the listing rules of the stock exchanges where shares in the Company are listed.

Cumulative voting shall be used for election of directors and supervisors. In addition, each candidate for the position of director or supervisor shall be proposed by a single motion.

Article 20 A notice of a general meeting shall:

- (I) Time, venue and duration of the meeting;
 - (II) Matters and proposals for consideration by the Conference;
 - (III) To state in conspicuous language that all shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend and vote at the meeting, and that such proxy shall not be a shareholder of the Company;
 - (IV) The date of registration of shareholders entitled to attend the general meeting;
 - (V) Name and telephone number of the permanent contact person for conference services;
 - (VI) Times and procedures for voting via the Internet or by other means.
- ~~(I) Be made in writing;~~
 - ~~(II) Specify the venue, date and time of the meeting;~~
 - ~~(III) State the matters to be discussed at the meeting;~~
 - ~~(IV) Provide shareholders with information and explanations necessary for them to make an informed decision about the matters to be discussed. Without limiting the generality of the foregoing, where the Company proposes to merge with another business, repurchase its shares, restructure its share capital or conduct any other form of restructuring, it shall provide shareholders with the specific terms of and any contract(s) for the proposed transaction and properly explain the cause and effect of such proposal;~~

- ~~(V) Contain a disclosure of the nature and extent of any material interests of any director, any supervisor, the president (general manager) or any other officer in any matter to be discussed and the effect that such matter will have on him or her in his capacity as a shareholder in so far as it is different from the effect on the interests of other shareholders of the same class;~~
- ~~(VI) Include the full text of any special resolution to be proposed for adoption at the meeting;~~
- ~~(VII) Contain a conspicuous statement that a shareholder who has the right to attend and vote at the meeting may appoint one or more proxies to attend and vote at the meeting on his or her behalf and that such proxy need not be a shareholder;~~
- ~~(VIII) Specify the time and place for delivering proxy forms for voting at the meeting;~~
- ~~(IX) Specify the record date to determine shareholders who have the right to attend the meeting;~~
- ~~(X) State the names and telephone numbers of contact persons for the meeting.;~~
- ~~(XI) The time and procedures for voting online or by other means.~~

Article 21 Unless otherwise provided by laws, administrative regulations, the listing rules of the stock exchanges where shares in the Company are listed or the Articles of Association, notice of a general meeting may be given by announcement. For shareholders of overseas listed stocks, the Company may issue the notice of a general meeting on the website of the Company and the website designated by The Stock Exchange of Hong Kong Limited (the “SEHK”) or by other means as permitted by the Hong Kong Listing Rules and the Articles of Association.

Article 22 Upon issue of the notice of a general meeting, the general meeting shall not be postponed or cancelled and motions specified in the notice shall not be withdrawn without a proper reason. In case of any such delay, cancellation or withdrawal, the convener shall give a notice stating reasons therefor at least two business days before the date when the meeting is originally scheduled to be held. Where the meeting is postponed, the postponed date of the meeting shall be specified in the notice.

Chapter 4 Holding of General Meetings

Article 23 A general meeting shall be held at the registered address of the Company or any other location determined by the Board.

Each general meeting shall have a venue and be held on-site. The Company will also provide internet or other means to facilitate shareholders’ attendance at a general meeting. Shareholders who attend a general meeting in the aforesaid manner shall be deemed to have been present at the meeting.

Article 24 Each shareholder entitled to attend and vote at a general meeting may attend the meeting in person or authorize one proxy (whether they are shareholders or not) to attend and vote at the meeting on his or her behalf. A proxy of a shareholder may exercise the following rights as authorized by such shareholder:

- (I) The shareholder's right to speak at the meeting;
- (II) The right to demand, by himself or herself or jointly with others, voting on a poll;
- (III) The right to vote.

In the case of a shareholder being a corporation, such shareholder is entitled to appoint another person as his proxy to attend and vote at any general meeting of the Company, and shall be deemed to be presented in person if he or she appointed his or her proxy to attend at any meeting. A corporation shareholder may execute a form of proxy under the hand of a duly authorized officer. If a shareholder is a recognized clearing house or its agent within the meaning of the relevant laws of the place where shares in the Company are listed, the shareholder is entitled to appoint one proxy or a corporate representative to act as its proxy at any general meeting, class meeting or creditor's meeting. However, if more than one proxy is appointed, the proxy form shall specify the number and class of shares that each such proxy is authorized to represent. The proxy form shall be signed by the person authorized by the clearing house. Such proxy shall be entitled to the same statutory rights as other shareholders ~~is entitled~~ to attend the meeting on behalf of the clearing house or its agent (without the need to produce any share certificate, notarized authorization and/or further evidence to show that he or she has been duly authorized) and exercise the rights of the clearing house or its agent (including the right to speak and vote), as if he or she was a natural person shareholder of the Company.

Article 25 When a matter that could materially affect the interests of minority investors is deliberated at a general meeting, the votes by minority investors shall be counted separately, and the results of such separate counting shall be disclosed publicly in a timely manner.

~~The aforesaid matters that could materially affect the interests of minority investors include:~~

- ~~(I) Nomination, appointment or removal of any director;~~
- ~~(II) Appointment or dismissal of any officer;~~
- ~~(III) Remunerations of directors and officers of the Company;~~
- ~~(IV) Appointment or dismissal of the accounting firm~~

- ~~(V) Change in accounting policies, accounting estimates and corrections for significant accounting errors due to reasons other than changes in accounting standard;~~
- ~~(VI) Unqualified audit opinion issued by the accounting firm on the financial accounting reports and internal control of the listed company;~~
- ~~(VII) Internal control assessment report;~~
- ~~(VIII) Commitment change plan made by interested parties pursuant to the provisions in the 4th section of Chapter 7 set out in the Guidelines for Self-discipline Supervision of Listed Companies No. 2 – Standardized Operation of Companies Listed on the ChiNext Market;~~
- ~~(IX) Effects of issuance of preferred shares on interests of shareholders of different classes of the Company~~
- ~~(X) Whether the formulation, adjustment, decision-making procedures, and implementation and information disclosure of the Company's cash dividend policy as well as profit distribution policy will prejudice the legitimate rights and interests of minority investors;~~
- ~~(XI) Connected transactions (including connected transactions stipulated under the Hong Kong Listing Rules), external guarantees (excluding guarantees for subsidiaries within the scope of consolidated statements), entrust management of wealth, external financial assistance, change in matters related to the use of funds raised, voluntary change in accounting policies of the Company, investment in shares and derivatives, among other matters of significance, in all cases requiring disclosure the deliberation and approval by the board of directors or a general meeting;~~
- ~~(XII) Material assets restructuring plan, management buy-out, equity incentive scheme, employee stock ownership plan, share repurchase plan and pay debt with assets programme of the related party of the Company;~~
- ~~(XIII) Proposal made by the Company to discontinue the trading of shares on the stock exchange where its shares are listed;~~
- ~~(XIV) Any matters that in the opinion of an independent non-executive director may prejudice the interests of minority shareholders;~~
- ~~(XV) Any other matters as provided by relevant laws, administrative regulations, ministerial rules, normative documents, business rules or the Articles of Association.~~

Minority investors are shareholders who do not serve as directors, supervisors, officers of the Company and individually or jointly hold 5% or more of the shares in the Company on a one vote per share basis.

Article 26 The Board and other convener(s) of general meetings shall take measures as necessary to maintain the order of the meetings and shall take steps to stop any disturbance to the order of the meetings, provocation of trouble or infringement upon lawful interests of shareholders and report such conduct in a timely manner to the relevant authorities for investigation and punishment.

Article 27 All the holders of ordinary shares listed in the register of shareholders on the record date for a general meeting shall have the right to attend the meeting in person or by proxy and vote at the meeting in accordance with relevant laws, regulations, the listing rules of the place where shares in the Company are listed and the Articles of Association. Such rights shall not be denied by the Company or convener(s) on any ground. A shareholder attending a general meeting shall produce his or her identity card or other valid proof or evidence of his or her identity, and a proxy attending the meeting shall produce the proxy form issued by the shareholder and his or her own valid proof of identity.

Article 28 A natural person shareholder attending a general meeting in person shall produce his or her identity card or other valid proof or evidence of his or her identity, or his/her share account card/share certificate; If he or she appoints a proxy to attend the meeting, the proxy shall produce valid proof of identity of the shareholder, the proxy form, the share account card/share certificate and his or her own valid proof of identity.

Article 29 A corporate shareholder shall be represented by its legal representative or a proxy/proxies appointed by the legal representative. Where the legal representative attends a general meeting, he or she shall produce the share account card/share certificate, his or her identity card and valid proof of his or her capacity as legal representative; where a proxy attends the meeting, he or she shall produce the proxy form duly issued by the legal representative of the corporate shareholder, the share account card/share certificate and his or her own valid proof of identity.

Article 30 The appointment of a proxy shall be in writing and signed by the appointing shareholder or his or her attorney duly authorized by him or her in writing; in the case of a corporate shareholder, the proxy form shall be affixed with its seal or signed by its director or an attorney duly authorized by it. A proxy form issued by a shareholder to appoint a proxy to attend any general meeting shall contain the following:

- (I) Name of the proxy;
- (II) Number of shares held by the shareholder and represented by the proxy;
- (III) Whether the proxy has the right to vote;

- (IV) Instructions on voting for or against or abstain from voting on each business to be transacted at the meeting;
- (V) Issue date and valid period of the proxy form;
- (VI) Signature (or seal) of the principal. If the principal is a corporate shareholder, the proxy form shall be affixed with its seal or signed by its director or an attorney duly authorized by it.

~~Article 31 Any proxy form provided to a shareholder by the board of directors for the shareholder to appoint a proxy shall be in such form as to enable the shareholder to freely instruct the proxy to vote for or against each single matter to be voted on at the meeting. The proxy form shall also make it clear whether the proxy may vote as he or she thinks fit on matters as to which the shareholder does not give an instruction.~~

~~Article 32 A proxy form for voting at a meeting shall, at least 24 hours before the holding of the meeting or 24 hours before the designated time of voting, be placed at the address of the Company or at such other place(s) as specified in the notice of meeting. Where the proxy form for voting is signed by another person authorized by the principal, the letter of authorization or other document authorizing the person to sign shall be notarized. Subject to the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed, such notarized letter or document, together with the proxy form, shall be placed at the address of the Company or at such other place(s) as specified in the notice of meeting within the time specified by the Company.~~

Where the principal is a legal person, its legal representative or the person authorized by a resolution of its Board or other decision-making body shall attend the meeting as the proxy of such legal person.

Article 33 If, prior to voting, the principal is deceased or incapacitated, or the proxy is revoked, or the authorization to sign the proxy is revoked, or the shares involved are transferred, a vote cast by the proxy under the proxy form shall nevertheless be valid as long as the Company has not received a written notice of the foregoing instance before the commencement of the relevant meeting.

Article 34 The Company shall prepare a register of attendees for each meeting, which shall include information such as the names of attendees (or their organizations), identity card numbers and domiciles of attendees, number of voting shares held or represented by each attendee, and names of individuals or organizations being represented.

Article 35 The convener and lawyers engaged by the Company shall verify the validity of the qualifications of shareholders against the register of shareholders provided by the securities registration and clearing institution and shall register the names of the shareholders and numbers of their voting shares. Registration for the meeting shall end before the chairperson of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

Article 36 When a general meeting is held, all the directors, supervisors and the secretary to the Board shall attend the meeting, and the general manager and other officers shall be present at the meeting as non-voting attendees.

Article 37 A general meeting shall be convened and presided over by the chairperson of the Board. If the chairperson is unable to attend the meeting for any reason, a vice chairperson of the Board shall convene and preside over the meeting. If both the chairperson and the vice chairperson(s) are unable to attend the meeting, the chairperson may designate a director of the Company to convene and preside over the meeting on his or her behalf. If no person is so designated, shareholders present at the meeting may elect a person to convene and preside over the meeting. If the shareholders are unable to elect such person for any reason, the shareholder (or his or her proxy) present at the meeting and holding the largest number of voting shares shall preside over the meeting.

If a general meeting is convened by the Supervisory Committee, the chairperson of the Supervisory Committee shall preside over the meeting. If the chairperson of the Supervisory Committee is unable or fails to discharge his or her duty, half or more of the supervisors shall designate a supervisor to preside over the meeting.

If a general meeting is convened by the shareholders, the conveners shall nominate a representative to preside over the meeting. If, for any reason, the conveners are unable to nominate a representative, the shareholder (or his or her proxy) present at the meeting and holding the largest number of voting shares among the conveners shall preside over the meeting.

When a general meeting is held, if the meeting cannot proceed due to the chairperson's violation of these Rules, then with the consent of shareholders holding more than half of the voting rights present at the meeting, the meeting may elect a person to preside over the meeting so that the meeting can proceed.

Article 38 At an annual general meeting, the Board and the Supervisory Committee shall report their work for the previous year to shareholders at the meeting. ~~Each~~ Independent non-executive directors shall also give a work report to explain the performance of their duties. The annual report of the independent non-executive directors shall be disclosed no later than the date when the company issues the notice of its annual general meeting.

Article 39 Directors, supervisors and officers shall give answers or explanations to shareholders' inquiries and suggestions at general meetings.

Article 40 Prior to voting at a general meeting, the chairperson of the meeting shall declare the number of shareholders and proxies present at the meeting and the total number of their voting shares, and such numbers shall be subject to those registered for the meeting.

Chapter 5 Voting and Resolutions at General Meetings

Article 41 Resolutions of a general meeting include ordinary resolutions and special resolutions.

An ordinary resolution of a general meeting shall be passed by more than half of the voting rights held by shareholders (or their proxies) attending the meeting.

A special resolution of a general meeting shall be passed by two-thirds or more of the voting rights held by shareholders (or their proxies) attending the meeting.

Article 42 The following matters shall be passed by an ordinary resolution at a general meeting:

- (I) Work reports of the Board and the Supervisory Committee;
- (II) Profit distribution plan and loss recovery plan drafted by the Board;
- (III) Appointment and removal of members of the Board and members of the Supervisory Committee, their remunerations and methods of payment thereof;
- (IV) Annual financial budget, final account proposal, balance sheet, statement of income and other financial statements of the Company;
- (V) Annual report of the Company;
- (VI) Retainment, dismissal and remunerations of accounting firms;
- (VII) Other matters other than those requiring a special resolution under laws, administrative regulations, the listing rules of the place where shares in the Company are listed or the Articles of Association.

Article 43 The following matters shall be passed by a special resolution at a general meeting:

- (I) Amendments (in whatever form) to the Articles of Association and its appendixes, including the Rules of Procedure for the General Meetings, the Rules of Procedure for the Board Meetings and the Rules of Procedure for the Supervisory Committee;
- (II) Any variation or abrogation of all or any rights attached to any class of shares;
- (III) Increase or reduction of the registered capital;

- (IV) Merger, demerger, dissolution, liquidation (including voluntary liquidation) or change of corporate form of the Company;
- (V) Spin-off and separate listing of a subsidiary;
- (VI) Any purchase or disposal of substantial assets made or guarantee provided by the Company in 12 consecutive months, the amount of which exceeds 30% of the Company's latest audited total assets;
- (VII) Issuance of shares, convertible corporate bonds, preferred stock and other securities approved by the CSRC;
- (VIII) Share repurchased to reduce registered capital;
- (IX) Material assets reorganization;
- (X) Equity incentive scheme;
- (XI) Resolution made by the general meeting of the listed company to withdraw the listing and trading of its shares from the stock exchange where its shares are listed and decision to stop trading in the exchange or apply for trading on or transfer to other trading places instead;
- (XII) Other matters that require a special resolution under laws, administrative regulations, the listing rules of the place where shares in the Company are listed or the Articles of Association and matters decided by an ordinary resolution at a general meeting to have a material impact on the Company and require a special resolution.

The proposals mentioned in items (V) and (XI) are subject to, in addition to the approval of not less than two-thirds of the voting rights held by shareholders present at the general meeting, the approval of not less than two-thirds of the voting rights held by the other shareholders present at the meeting other than the Company's directors, supervisors, senior managers and shareholders who hold more than 5% of the listed company's shares individually or in aggregate.

Article 44 Except that the Company is in a special situation such as a crisis, the Company will not enter into any contract with any person other than a director, the general manager or any other officer to have all or a significant part of the Company's business in the care of such person, unless otherwise approved by a special resolution at a general meeting.

Article 45 Where a motion on election of directors or supervisors is passed at a general meeting, the time when they take office shall be specified in the relevant resolution of the meeting. If the resolution does not specify the time of taking office, they shall take office upon closing of the meeting.

Article 46 If a motion on distribution of a cash dividend, allotment of bonus shares or conversion of capital reserve into share capital is passed at a general meeting, the Company shall implement the plan therefor within two months after the closing of the meeting.

Article 47 If a resolution passed at a general meeting violates any laws or administrative regulations, the resolution shall be rendered invalid.

Any controlling shareholder and actual controller of the Company shall not restrict or obstruct minority investors' proper exercise of voting rights or prejudice the legitimate rights and interests of the Company or minority investors.

Article 48 If the procedures for convening, or the method of voting at, a general meeting violate any laws or administrative regulations or the Articles of Association, or the content of a resolution violates the Articles of Association, shareholders may request a people's court of competent jurisdiction to set aside such resolution within 60 days from the date on which the resolution is passed.

Article 49 A shareholder shall have the right to speak and vote at a general meeting unless an individual shareholder is required to abstain from voting on a particular matter under the listing rules. A shareholder (or his or her proxy) shall exercise his or her voting rights according to the number of voting shares represented by him or her. Each share shall carry one vote.

If a shareholder has a connected relationship with matters to be deliberated at a general meeting, such shareholder shall withdraw from voting, his or her voting shares shall not be counted towards the total number of voting shares held by shareholders present at the general meeting. The minutes of the resolution of the general meeting shall fully disclose the voting results of non-connected shareholders.

The Company's shares hold no voting rights and shall not be counted towards the total number of voting shares held by shareholders present at the general meeting. Where the purchase of the Company's voting shares by a shareholder violates the provisions of Paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion shall not be allowed to exercise within 36 months after the purchase, and those shares shall not be included in the total number of voting shares at the general meeting.

The Board, independent non-executive directors, holders of domestic shares who, individually or jointly, hold 1% or more of the voting shares in the Company, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit publicly the voting rights of shareholders. If the listing rules of the stock exchange where shares in the Company are listed provide otherwise, such rules shall prevail.

When shareholders' voting rights are solicited, it shall disclose sufficient information regarding voting intention the solicitor. It is prohibited to solicit shareholder's voting rights by paying compensation or disguised compensation. Except for statutory conditions, the Company shall not impose any minimum shareholding limitation on solicitation of voting rights.

When a matter that could materially affect the interests of minority investors is deliberated at a general meeting, the votes by minority investors shall be counted separately, and the results of such separate counting shall be disclosed publicly in a timely manner in accordance with relevant laws and regulations and the rules of the stock exchange where shares in the Company are listed.

Article 50 Lists of candidates for directors and supervisors shall be proposed by motion to general meetings for voting.

~~Candidates for members of the first session of the board of directors and candidates for non-employee representative members of the first session of the Supervisory Committee shall be nominated by the promoters of the Company. Methods and procedures for nominating directors and supervisors of the Company other sessions are as follows:~~

- (I) In the case of a re-election of the Board or an addition to the Board, the incumbent Board or shareholders individually or jointly holding 3% or more of the shares in the Company may nominate, without exceeding the number of persons to be elected, candidates for the positions of non-employee representative directors for the next session of the Board or a candidate for the additional position of non-employee representative director;
- (II) In the case of a re-election of the Supervisory Committee or an addition to the Supervisory Committee, the incumbent Supervisory Committee or shareholders individually or jointly holding 3% or more of shares in the Company may nominate, without exceeding the number of persons to be elected, candidates for the positions of non-employee representative supervisors for the next session of the Supervisory Committee or a candidate for the additional position of non-employee representative supervisor;

- (III) The aforesaid shareholders shall provide the incumbent Board or Supervisory Committee, as the case may be, with the resumes and basic information about their nominated candidates for the positions of directors or supervisors. The incumbent Board or Supervisory Committee, as the case may be, shall review their qualifications for the positions. Qualified candidates shall be submitted to a general meeting for election; and
- (IV) Each candidate for the position of director or supervisor shall undertake to the Company in writing as required by the Company that he or she agrees to accept the nomination, warrants that the information submitted about himself or herself is true and complete and undertakes that he or she will duly perform duties upon being elected, among other things.

Article 51 When election of a director or supervisor is put to vote at a general meeting, a cumulative voting system may be adopted in accordance with the Articles of Association or as resolved by the general meeting.

The “cumulative voting system” referred to in the preceding paragraph means a voting system under which each share has a number of votes corresponding to the number of directors or supervisors to be elected at a general meeting, and a shareholder may cast all his or her votes to one candidate or to more.

Article 52 Except for cumulative voting, a general meeting shall vote on all the motions one by one. Where different motions on the same matter are proposed, such motions shall be voted on in the time sequence in which they are proposed. Unless the general meeting is adjourned or cannot come to a resolution due to force majeure or any other special reasons, the general meeting shall not set aside any motion or withhold any motion from voting.

Article 53 No change shall be made to a motion when it is deliberated at a general meeting. Otherwise, such change shall be deemed as a new motion and shall not be voted on at the same general meeting.

Article 54 Each vote can be cast only by one means, either by on-site voting or by any other means available. Where one vote is cast more than once, the first cast shall count.

~~**Article 55** In the case of voting on site at a general meeting, voting shall be conducted by a show of hands, unless a poll is required under relevant regulations of the securities regulator of the place where shares in the Company are listed or under other laws or regulations or is requested by the following persons before or after a show of hands:~~

- ~~(I) The chairperson of the meeting;~~
- ~~(II) At least two shareholders present in person or by proxy and who are entitled to vote at the meeting;~~

~~(III) One or more shareholders (or their proxies) individually or jointly holding 10% or more of all the shares carrying voting rights at the meeting on a one vote per share basis. Unless a poll is required under the relevant regulations of the securities regulator of the place where shares in the Company are listed or under other laws or regulations or is requested by any person(s) present at the meeting, the chairperson of the meeting shall declare whether a resolution has been passed based on a show of hands and have the result recorded in the minutes of the meeting, which shall be the conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or percentage of votes for or against such resolution. The person(s) who request for voting on a poll may withdraw his or her or their request.~~

~~**Article 56** A poll requested for election of the chairperson of a general meeting or adjournment of the meeting shall be taken forthwith. A poll requested for any other matters shall be taken at such time as the chairperson of the meeting may decide, and the meeting may proceed to transact other businesses. The result of the poll shall still be deemed to be a resolution passed at that meeting.~~

~~**Article 57** When a poll is taken at a general meeting, a shareholder (or his or her proxy) entitled to two or more votes need not cast all his or her votes as affirmative or negative votes.~~

~~**Article 58** The chairperson of the meeting may decide to vote on a procedural or administrative matter of the meeting by a show of hands. Procedural and administrative matters refer to those relating to the duty of the chairperson of a general meeting to maintain the orderly proceeding of the meeting and/or to enable the business of the meeting to be properly and effectively dealt with while allowing all the shareholders to have reasonable opportunity to express their views. In case votes for and against a resolution are in a tie, whether on a show of hands or on a poll, the chairperson of the meeting shall have a casting vote.~~

~~**Article 59** Voting at general meetings shall be conducted by open ballot.~~

Shareholders attending a general meeting shall take one of the following stances when a motion is put up for voting: for, against or abstain, unless the securities registration and clearing institution, as the nominee holder of shares under the Mainland-Hong Kong Stock Connect program, make a declaration according to the intention of actual holders. A vote that is left blank, wrongly written or illegible or is not cast shall be deemed as a waiver of voting right by the voter, and the voting result with respect to his or her shares shall be counted as an abstention.

If, under the Hong Kong Listing Rules, any shareholder is required to abstain from voting on any resolution or to vote only for or against any resolution, any vote cast by or on behalf of such shareholder in contravention of such requirement shall not be counted.

Article 5660—Before any motion is voted on at a general meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. If a shareholder has any connection with any matter to be deliberated, such shareholder or his or her proxy shall not participate in the counting or scrutinizing of voting.

After a motion is voted on at the meeting, the counting of votes and scrutinizing of the vote counting shall be conducted jointly by lawyers, shareholder representatives and supervisor representatives. The voting results shall be announced on site immediately and be recorded in the minutes of the meeting.

The chairperson of the meeting shall announce the voting details and result of each motion and whether the motion has been passed based on the voting result.

A shareholder of the Company or his or her proxy who casts votes online or by other means shall be entitled to check his or her voting results through the relevant voting system.

Article 5761—A general meeting held on site shall not end earlier than voting online or voting by any other means. The chairperson of the meeting shall announce the voting details and result of each motion and whether the motion has been passed based on the voting result. Such result shall be announced at the meeting and recorded in the minutes of meeting. The minutes of meeting, together with the sign-in book for shareholders present and proxy forms shall be kept at the Company's domicile.

Before a voting result is officially announced, the vote counters, scrutineers, majority shareholders, internet services providers and other parties involved in on-site, online and other means of voting shall keep the voting result confidential.

Article 5862—A resolution of a general meeting shall be announced in a timely manner, and shall state the number of shareholders and proxies attending the meeting, the total number of voting shares held or represented by them and its percentage in the total number of voting shares in the Company, voting methods, voting result of each motion, and details about each resolution passed at the meeting.

Article 5963—If any motion is not passed, or the current general meeting amends a resolution of the last general meeting, such event shall be specially noted in the minutes of the resolution of the current general meeting.

Article 604—If the chairperson of the meeting has any doubt about the voting result of a resolution, he or she may arrange recounting of the votes cast. If the chairperson does not arrange the recounting, shareholders or their proxies present who dissent from the result shall have the right to request recounting of the votes immediately after the voting result is announced, and the chairperson shall promptly arrange recounting of the votes.

Article 615—Minutes shall be prepared for each general meeting by the secretary to the Board. The minutes shall contain the following details:

- (I) Time, venue and agenda of the meeting and name of the convener;
- (II) Name of the chairperson of the meeting and names of directors, supervisors, the general manager and other officers attending the meeting with or without a voting right;
- (III) Number of shareholders and proxies attending the meeting, total number of voting shares they represent and the respective percentages of their voting shares to the total share capital of the Company;
- (IV) Deliberation process, key points of discussion and voting results of each motion;
- (V) Shareholders' inquiries and suggestions and answers or explanations thereto;
- (VI) Names of vote counters and scrutineers of vote counting;
- (VII) Other information required to be included in minutes under the Articles of Association.

Directors, supervisors, the secretary to the Board and the convener or the representative(s) thereof attending the meeting and the chairperson of the meeting shall sign the minutes and ensure that the content of the minutes is true, accurate and complete. The minutes shall be kept, together with the sign-in book for shareholders present at the meeting, proxy forms and valid information about other means of voting, for a period of no less than ten years. Shareholders may access photocopies of minutes of meetings during the Company's office hours free of charge. If any shareholder requests for a photocopy of relevant minutes, the Company shall send the photocopy within seven days upon receipt of a reasonable charge therefor.

Article 626—The convener of a general meeting shall ensure that the meeting is held continuously until final resolutions are passed. If the meeting is suspended or resolutions cannot be made due to force majeure or any other special causes, the convener shall take necessary measures to resume or terminate the meeting as soon as practicable. At the same time, the convener shall report to the local branch of the CSRC in the locality of the Company and the stock exchange where shares in the Company are listed.

Chapter 6 Special Procedures for Voting by Class Shareholders

Article ~~637~~—A shareholder who holds a particular class of shares is a class shareholder, who shall enjoy rights and assume obligations in accordance with laws, administrative regulations, the listing rules of the stock exchange where shares in the Company are listed and the Articles of Association.

Article ~~648~~—The Company shall not change or abolish the rights of shareholders of a particular class unless such change or abolishment has been approved by a special resolution at a general meeting and by the affected shareholders of such class at a separate class meeting convened in accordance with Articles ~~6670~~ to ~~704~~.

Article ~~659~~—The rights of shareholders of a particular class shall be deemed to have been changed or abolished in case of:

- (I) An increase or decrease in the number of shares of such class, or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (II) Conversion of all or part of the shares of such class into shares of another class, or conversion of all or part of the shares of another class into shares of such class, or grant of the rights of such conversion;
- (III) A cancellation or reduction of rights to accrued dividends or cumulative dividends attached to the shares of such class;
- (IV) A reduction or cancellation of preferential rights attached to the shares of such class to receive dividends or, in the event of liquidation of the Company, to receive distributed property;
- (V) An addition, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, preemptive rights or rights to acquire securities of the Company attached to the shares of such class;
- (VI) A cancellation or reduction of rights attached to the shares of such class to receive amounts payable by the Company in a particular currency;
- (VII) Creation of a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of that class;
- (VIII) An imposition of restrictions or additional restrictions on transfer of or ownership of the shares of such class;

- (IX) An issuance of rights to subscribe for, or convert into, the shares of such class or another class;
- (X) An increase in the rights and privileges of the shares of another class;
- (XI) A restructuring plan of the Company that causes shareholders of different classes to bear liability other than on a pro rata basis during the restructuring;
- (XII) Any amendment to or repeal of the provisions of this section.

Article ~~6670~~ Shareholders of the affected class, whether or not they otherwise have a right to vote at a general meeting, shall have the right to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) and (XI) to (XII) of Article ~~659~~, but interested shareholders shall have no right to vote at such class meetings. An “~~interested shareholder~~” referred to in the preceding paragraph means:

- (I) ~~In the case where the Company makes a repurchase offer to all its shareholders on a pro rata basis or repurchases its own shares through open trading on a stock exchange in accordance with Article 28 of the Articles of Association, a controlling shareholder as defined in the Articles of Association;~~
- (II) ~~In the case where the Company repurchases its own shares through an off-market agreement in accordance with Article 28 of the Articles of Association, a shareholder related to such agreement;~~
- (III) ~~In the case where the Company is restructured, a shareholder who assumes obligations in a proportion lower than those of the obligations assumed by other shareholders of the same class, or a shareholder who has an interest in the restructuring different from those of other shareholders of the same class.~~

Article ~~6771~~ Passing of a resolution at a class meeting requires affirmative votes of two-thirds or more of the voting rights held by shareholders of such class attending the meeting in accordance with Article ~~6670~~ hereof.

Article ~~6872~~ The notice period of a class meeting held by the Company shall be subject to relevant provisions in relation to the notice period of a general meeting of the Articles of Association; provided that, if the listing rules of the stock exchange where shares in the Company are listed provide otherwise, such listing rules shall prevail.

Article ~~6973~~ The notice of a class meeting shall be given only to shareholders entitled to vote at the meeting. Procedures for holding a class meeting shall be as similar as possible to those for a general meeting. The provisions of the Articles of Association in relation to the procedures for holding a general meeting shall apply to a class meeting.

Article 7074—Apart from holders of other classes of shares, a holder of domestic shares and a holder of overseas-listed foreign shares shall be deemed to be different classes of shareholders.

The special procedures for voting by class shareholders are not applicable to the following circumstances:

- (I) With approval by a special resolution at a general meeting, the Company issues domestic shares and overseas-listed foreign shares separately or concurrently every 12 months, and the respective numbers of the domestic shares and overseas-listed foreign shares to be issued do not exceed 20% of outstanding shares of their respective classes;
- (II) The Company's plan to issue domestic shares and overseas-listed foreign shares upon its incorporation is fulfilled within 15 months from the date of approval by the securities regulator under the State Council; or
- (III) A holder of domestic shares in the Company transfers his or her shares to a foreign investor with approval from the securities regulator under the State Council, and such shares are listed on an overseas stock exchange.

Chapter 7 Implementation of Resolutions

Article 715—The Board shall be responsible for organizing the implementation of the resolutions made at the general meetings and shall instruct the officers of the Company to implement the resolutions in accordance with the content of the resolutions and the division of responsibilities. Matters required by the general meeting to be implemented by the Supervisory Committee shall be directly organized and implemented by the chairperson of the Supervisory Committee.

Article 726—The Board shall report the results of the implementation of resolutions to the general meeting. The Supervisory Committee shall report the matters implemented by itself to the general meeting.

Chapter 8 Supplementary Provisions

Article 737—These Rules shall be implemented as of the date of approval by the general meeting. For these Rules to be amended, the Board shall propose an amendment plan to the general meeting for deliberation and approval, and no amendment shall take effect until approved by the general meeting.

Article 748—These Rules shall be consistent and implemented in accordance with relevant provisions of the Company Law, the Securities Law and the Special Provisions, regulations, normative documents, the listing rules of the stock exchanges where shares in the Company are listed and the relevant provisions of the Articles of Association of the Company. Where these Rules conflict with any law, regulation, normative document or the listing rules of any stock exchange where shares in the Company are listed, such law, regulation, normative document or listing rules shall prevail. Any matters not covered herein shall be governed by relevant laws, regulations, normative documents, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association.

Article 759—These Rules shall be amended and improved by the general meeting in time in accordance with national laws, regulations and normative documents promulgated by the securities regulator from time to time, to satisfy the needs of the Company’s development, operation and management.

Article 7680—The term “at least” or “within” as used in these Rules shall include the given figure; the term “over”, “less than” or “more than” shall exclude the given figure.

Article 7781—These Rules shall be interpreted by the Board of the Company.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

PHARMARON BEIJING CO., LTD.

Rules of Procedure for the Board Meetings

Chapter I General Provisions

Article 1 The rules is hereby formulated and enacted in accordance with the provisions of the Company Law of the People's Republic of China (the "**Company Law**"), the ~~Mandatory Provisions for Articles of Association of Companies Listed Overseas (the "**Mandatory Provisions**")~~, the ~~Letter Concerning Opinions on Supplementary Amendments to the Articles of Association of Companies Listed in Hong Kong (the "**Letter Concerning Opinions on Supplementary Amendments**")~~, the listing rules of the stock exchange(s) where the Company's shares are listed (including but not limited to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) and the provisions of the Articles of Association of Pharmaron Beijing Co., Ltd. (the "**Articles of Association**") in order to regulate the action of the Company and ensure that the general meeting exercises its power.

Article 2 The Company establishes a board of directors (the "**Board**"), which is elected and entrusted by the general meeting to operate and manage the Company's legal property. It is the Company's business decision-making body and accountable to the general meeting.

Article 3 The Board shall, when exercising its power, abide by the relevant laws and regulations issued by the State, the listing rules of the stock exchange(s) where the Company's shares are listed, the Articles of Association and the resolutions of the general meeting, and consciously accept the supervision of the supervisory committee of the Company. Matters subject to the approval of relevant authorities of the State shall be reported for approval before implementation.

Article 4 The Board shall establish strict inspection and decision-making procedures in accordance with the scope of authorization of outbound investment, acquisition and sale of assets, borrowings, external guarantee, related transactions and connected transactions; it shall organize for specialists or professionals to assess and examine material investment projects, and submit such investment projects to the general meeting for approval.

Chapter II Proposals, Convening and Notification Procedures for Board Meetings

Article 5 Boarding meetings come in the regular and the extraordinary.

Shareholders representing more than one-tenth of the voting rights, and directors or supervisory committee more than one-third, ~~and independent non-executive directors more than half,~~ may propose an extraordinary board meeting. The chairman of the Board shall convene and preside over an extraordinary board meeting within ten days after receiving the proposal. The chairman of the Board may decide to convene and preside over an extraordinary

board meeting when he/she deems it necessary. Where the securities regulatory authorities require the Company to convene an extraordinary board meeting, the chairman shall convene and preside over the Board meeting within ten days upon the receipt of such proposal.

Article 6 Board meetings shall be convened by the chairman of the Board. Where the chairman fails to or is unable to exercise his/her power, a director shall be jointly nominated by more than half of the directors to convene a board meeting.

Article 7 The Board shall notify all the directors, supervisors ~~and general managers by written notice means of a person sent, fax, telephone, mail or network (including e-mail and the Company's information-based office system)~~ and, if necessary, other senior management of ~~the Company~~ fourteen days before it convenes a regular meeting.

The Board shall convene an extraordinary Board meeting by means of person sent mail, fax, e-mail, SMS, EDI and other forms of data messages that can tangibly represent the contents contained therein; and the time limit for the notice shall be: not later than 5 days prior to the convening of the extraordinary Board meeting for notification or service of notice.

However, with the unanimous agreement of all Directors, the time limit for notification of an extraordinary Board meeting on a matter of special urgency may be exempted from the above paragraph.

~~In case of an extraordinary board meeting, a notice of the meeting shall be delivered to all directors by means of a person sent, fax, mail or network (including e-mail and the Company's information-based office system) five days before the meeting is held.~~

~~In the event of exceptional circumstances requiring an immediate resolution by the Board, the convening of an extraordinary board meeting for the purposes of the interests of the Company may not be subject to the notification method and the time limit of the notice mentioned above, provided that a reasonable notice shall be provided to the directors.~~

Article 8 Matters subject to the consideration and resolution of the Board shall be made by means of a proposal. The Board's proposals shall be collected, collated and submitted by the Secretary to the Board for consideration and resolution.

Article 9 The following entities shall have the right to submit proposals to the Board:

- (I) Any director;
- (II) Special Committees under the Board;
- (III) The supervisory committee;

- (IV) Shareholders holding more than 3% of the Company's shares individually or in combination;
- (V) The General Manager, the chief financial officer and the Secretary to the Board.

Article 10 Where an extraordinary board meeting is proposed in accordance with the provisions of the preceding article, a written proposal signed (sealed) by the proposer shall be submitted through the securities division or directly to the chairman. A written proposal shall contain, but not limited to, the following items:

- (I) The name of the proposer;
- (II) The reason for the proposal or the objective reason on which the proposal is based;
- (III) A clear-cut and specific proposal;
- (IV) The proposer's contact details, the date of the proposal, etc.

The content of the proposal shall fall within the competence of the Board stipulated in the Articles of Association, and the materials relating to the proposal shall be submitted together.

Upon the receipt of the above-mentioned written proposal and related materials, the securities division shall submit it to the chairman of the Board on the same day. Where the chairman deems that the content of the proposal is unclear, unspecified or the relevant materials are not sufficient, he/she may request the proposer to modify or supplement the proposal. Where the proposal meets the requirements, the chairman shall determine the arrangements for the meeting and the securities division shall issue a notice of board meeting.

Article 11 The notice of a board meeting shall contain the following contents:

- (I) The date and venue of the meeting;
- (II) The way in which the meeting is held;
- (III) The duration of the meeting;
- (IV) The reason for convening the meeting and agenda thereof;
- (V) Materials necessary for directors' voting at the meeting;
- (VI) The requirement that directors shall attend the meeting in person or entrust another director to attend the meeting on his/her behalf;

(VII) The convener and moderator of the meeting, the proposer of the extraordinary meeting and other written proposals;

(VIII) Contact and contact details;

(IX) The date of issue of notice.

Article 12 After the notice of a regular board meeting is issued, if it is necessary to change the time, venue or other matters of the meeting or to add, change or cancel any proposals of the meeting, a written notice of the change shall be issued three days before the date of the scheduled meeting, specifying the situation and the relevant contents of the new proposal and materials. Where the scheduled meeting is to be held in less than three days, it shall be postponed accordingly or held on schedule after obtaining the approval of all the participating directors.

After the notice of an extraordinary board meeting is issued, if it is necessary to change the time, venue or other matters of the meeting or to add, change or cancel any proposals of the meeting, the approval of all attending directors shall be obtained in advance and recorded accordingly.

Article 13 A board meeting shall not be held unless more than half of the directors are present. A board meeting shall be attended by the directors in person. If a director is unable to attend for any reason, he/she may entrust another director by a power of attorney to attend on his/her behalf. The power of attorney shall indicate the name of the agent, the agency matters, authorities and term of validity, and shall be signed or stamped by the appointer. Where voting matters are involved, the appointer shall expressly express his/her consent, objection or abstention on each matter in the power of attorney, and the directors shall not make or accept an entrustment of non-voting intention, full power or an entrustment with an unclear scope of authority. The director who attends the meeting on behalf of another director shall exercise the rights of the directors within the scope of authorization. Where a director fails to attend a board meeting or to appoint an agent, he/she shall be deemed to have waived his/her right to vote at that meeting.

Where a director entrusts another director to sign written confirmations on periodic reports on his/her behalf, he/she shall give special authorization in the power of attorney. The entrusted director shall submit the written power of attorney to the Secretary to the Board and the entrusted attendance shall be stated in the resolution of the Board and the meeting minutes.

Article 14 Directors entrust or entrusted by others to attend board meetings shall observe the following principles:

(I) The director shall not entrust any persons other than a director to attend the board meeting;

- (II) When matters of related transactions are considered, a non-associated director may not entrust any associated directors to attend on his/her behalf; and associated directors may not accept the entrustment of non-related directors;
- (III) An independent non-executive director may not entrust an executive director and non-executive director ~~non-independent non-executive director~~ to attend on his/her behalf, nor may an executive director and non-executive director ~~non-independent non-executive director~~ accept the entrustment of an independent non-executive director;
- (IV) A director shall not entrust another director to attend on his/her behalf without stating his/her personal opinions and voting opinions on any proposal, nor shall the directors concerned accept the full power of attorney and an entrustment with an unclear scope of authority;
- (V) A director shall not accept the entrustment of more than two directors, nor shall he/she entrust a director who has accepted the entrustment of two other directors to attend on their behalf.

Article 15 The Secretary to the Board of the Company shall attend each and every board meeting, and the supervisors and general managers of the Company shall have the right to attend the board meetings.

Where matters considered at the meeting fall within their terms of reference, the vice general managers, financial controllers and other senior management of the Company may attend a board meeting at the invitation of the chairman of the meeting.

The Board may invite intermediaries or industry, business, law, finance and other experts to attend board meetings and provide professional advice.

The Board, in principle, shall not invite journalists or other unrelated persons to attend the meeting. Where such invitation is required exceptionally, the chairman of the meeting shall seek the opinions of other directors and may not invite the aforesaid persons until a majority of all the directors have agreed.

To speak at the meeting, the participants shall obtain the consent and submit to the arrangements of the chairman of the meeting.

If the chairman of the meeting considers that the matter considered at the meeting involves company secrets, he/she may request the participants to recuse themselves.

Article 16 The board meetings shall be held on the spot in principle. If necessary, with the consent of the convener (chairman of the meeting) and the proposer, the meeting may also be held by such forms of communication as video, telephone, fax or e-mail, on the premise of ensuring the full expression of the opinions of the directors. Board meetings may also be held on the spot in parallel with other methods.

For board meetings not held on the spot, the number of directors present shall be calculated based on the valid voting votes of directors with video presentation, directors who express their opinions in the conference call, and actual receipts of faxes or e-mails within the specified time limit, or the written confirmation letters submitted by the directors afterwards stating that they have attended the meeting.

Article 17 The chairman of the meeting shall request the directors present at the board meeting to express their clear-cut opinions on the various proposals.

For motions that are required to be considered at a special meeting of independent non-executive directors in accordance with the regulations, ~~proposals requiring prior approval by independent non-executive directors~~, the chairman of the meeting shall, before discussing the proposal, appoint an independent non-executive director to read out the opinion of the special meeting of ~~written endorsements reached by~~ the independent non-executive directors.

If any directors obstruct the normal progress of the meeting or influence the speech of other directors, the chairman of the meeting shall stop that director in a timely manner.

Article 18 Directors shall read relevant meeting materials carefully and express their opinions independently and prudently on the basis of a full understanding of the situation.

Directors can obtain relevant information required for decision-making from relevant persons and institutions such as the securities division, convener of the meeting and other senior management, special committees, accounting firms and law firms. Directors may also propose to the presider during the meeting to invite the above personnel and institutional representatives to attend the meeting and explain relevant situations.

Article 19 For each proposal, the presider shall request the attending directors for a vote in a timely manner after full discussion.

The voting at the meeting shall be conducted by means of one person one vote, registered or written. In the event of a tie between for and against, the chairman of the Board is entitled to one additional vote. For board meetings not held on the spot, attending directors may, submit their voting opinions by video presentation, personal service, fax, letter and other written means to the Secretary to the Board within the voting time limit.

The voting opinions of directors include For, Against and Abstain. The attending directors shall choose one of the above opinions. If no choice is made or two or more intentions are chosen at the same time, the chairman of the meeting shall request the director to make a new choice. Refusal to choose shall be deemed as an abstention. Those who leave the venue without returning and do not make a choice shall be regarded as an abstention.

Article 20 Upon the completion of the voting of attending directors, the Secretary to the Board shall collect the voting votes of the directors in a timely manner for statistics. For meetings held on the spot, the chairman of the meeting shall announce the voting result on the spot; in other cases, the chairman of the meeting shall request the Secretary to the Board to notify the directors of the results before the next working day after the end of the prescribed voting time limit. If any directors vote after the announcement of the voting result by the chairman of the meeting or after the end of the voting time, his/her vote shall not be counted.

Article 21 Unless otherwise specified in the Rules, for the Board to consider and approve any proposal of the meeting and conclude relevant resolution, more than half of the directors of the Company shall vote in favor of the proposal. Where laws, regulations, normative documents, the listing rules of the stock exchange(s) where the Company's shares are listed and the Articles of Association stipulate that the Board shall obtain the consent of more directors to form a resolution, the provisions contained therein shall prevail.

For the Board to, within its competence, make a resolution on the matter of guarantee in accordance with the provisions of the Articles of Association, in addition to the consent of a majority of all directors of the Company, the consent of more than two-thirds of the attending directors shall be obtained.

In case of any contradiction between the content or the meaning of different resolutions, the latest formed resolution shall prevail.

Article 22 If the associated directors (include the circumstances set out in Article 13.44 of the Listing Rules) avoid voting, a board meeting may be held in the presence of more than half of the unrelated directors, and any resolution formed therein shall be adopted by more than half of the unrelated directors, and the matters of the external guarantee are subject to the approval of more than two-thirds of the unrelated directors. If the number of attending unrelated directors is less than three, the relevant proposal shall not be voted on, but shall be submitted to the general meeting for consideration.

Article 23 The Board shall act in strict accordance with the authorization of the general meeting and the Articles of Association of the Company, and shall not overstep its authority to form a resolution.

Article 24 Where a resolution on the distribution of profits of the Company is to be made at the board meeting, the certified public accountant may be first notified of the proposed distribution plan to be submitted to the Board for consideration and required to produce a draft audit report accordingly (all financial data other than those related to distribution determined). After the Board has made a resolution on distribution, it shall require the certified public accountant to issue a formal audit report, based on which the Board shall then make a resolution on other relevant matters of the periodic report.

Article 25 In case that a proposal is not passed, it shall not be considered by the Board within one month in the absence of any significant change in the relevant conditions or factors.

Article 26 If more than one half of the attending directors or more than two independent non-executive directors deem any proposal unclear and unspecified, or unable to make a judgment on the matter due to other reasons such as insufficient meeting materials, the chairman of the meeting shall request the meeting to put the voting on the subject on hold.

The director proposing a stay of voting shall make requirements on the conditions to be met for the proposal to be submitted for reconsideration.

Article 27 Board meetings convened on the spot and by video, telephone, etc. may be recorded as necessary.

Article 28 The Secretary to the Board shall record board meetings in person or by designating any staff member, and shall be responsible for the truthfulness and accuracy of the meeting minutes. The meeting minutes shall contain the following items:

- (I) The date and venue of the meeting and the name of the convener;
- (II) The names of the directors present and of directors (agents) appointed by others to attend the board meeting;
- (III) The agenda of the meeting;
- (IV) The main points made by the directors;
- (V) The table method and results of each item (the results of the table shall indicate the number of votes approved, opposed or abstained);
- (VI) Other matters that should be recorded in the opinion of attending directors.

Article 29 The directors shall be responsible for resolutions of the Board. Where the resolution of the Board violates laws, administrative regulations or the Articles of Association of the Company or the resolution of the general meeting, resulting in substantial losses to the Company, the directors involved in the resolution shall be liable to the Company. However, the director may be exempted from the liability if his/her objection has been expressed at voting time and recorded in the meeting minutes.

The attending directors shall sign and confirm the meeting minutes on behalf of themselves and the directors who entrust them to attend the meeting on their behalf. Where any directors have different opinions on the meeting minutes, he/she may make a written explanation when signing.

Where a board meeting isn't convened on the spot, the Secretary to the Board shall, at the most recent on-the-spot board meeting or other convenient and appropriate time, request the directors attending the previous meeting to sign the resolutions and minutes of that meeting.

Where a director neither signs for confirmation as provided for in the preceding paragraph nor makes a written statement of his/her different opinions, he/she shall be deemed to have fully agreed with the contents of the meeting minutes.

Article 30 The announcement of the resolutions of the Board shall be handled by the Secretary to the Board in accordance with the relevant provisions of the listing rules of stock exchanges. Prior to the disclosure of the announcement of any resolution, the attending directors and other participants, recorders and service personnel shall have the obligation to keep the contents of the resolution confidential.

Article 31 The chairman of the Board shall urge the relevant personnel to implement and check the implementation of the resolutions of the Board, and inform the Board at future meetings of the implementation of the resolutions that have been formed.

The Secretary to the Board shall report to the chairman of the Board on the implementation of the resolutions of the Board in a timely manner, and convey the opinions of the chairman truthfully to the directors and the management of the Company.

The Secretary to the Board may assist the Board to supervise and inspect the implementation of the resolutions made by the Board by collecting and consulting relevant documents and information and communicating with relevant personnel.

The Board may require members of the management to report orally or in writing to the Board on the implementation of the resolutions of the Board and the major production and operation of the Company.

Article 32 The records of board meetings, including meeting notices and materials, the check-in book, the power of attorney of directors who entrust others to attend on their behalf, the recording materials, the voting votes, the meeting minutes confirmed by attending directors with signature, etc., shall be kept by the Secretary to the Board.

The minutes of board meetings shall be kept for not less than ten years.

Chapter III Supplementary Provisions

Article 33 The “above” or “within” as mentioned in the Rules of Procedure shall be inclusive of the relevant figure; while “over”, “less than”, and “more than” shall be exclusive of the relevant figure.

Article 34 The Rules of Procedure shall be consistent and implemented in accordance with relevant provisions of such laws as the Company Law, the Securities Law, ~~the Mandatory Provisions~~, regulations, normative documents and the listing rules of the stock exchange(s) where the Company’s shares are listed and the relevant provisions of the Articles of Association of the Company. In case of any inconsistency or any matters not covered herein, the relevant laws, regulations, normative documents, the listing rules of the stock exchange(s) where the Company’s shares are listed and the relevant provisions of the Articles of Association of the Company shall prevail.

Article 35 The Rules of Procedure shall be implemented as of the date of approval by the general meeting of the Company. For the Rules of Procedure to be amended, the Board shall propose an amendment plan for the consideration and approval by the general meeting, which shall not enter into force without the approval of the general meeting.

Article 36 The Rules of Procedure shall be interpreted by the Board of the Company.

(No text below)

PHARMARON BEIJING CO., LTD.

The Rules of Procedure for the Supervisory Committee

Chapter 1 General Provisions

Article 1 The Rules of Procedure for the Supervisory Committee (these “**Rules**”) are hereby formulated and enacted in accordance with the provisions of the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “**Company Law**”), ~~the Mandatory Provisions of Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款) (the “**Mandatory Provisions**”), the Letter of Opinions on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong (香港聯合交易所有限公司證券上市規則), the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association of Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司章程) (the “**Articles of Association**”) for the purpose of improving the corporate governance structure of Pharmaron Beijing Co., Ltd. (the “**Company**”), further clarifying the manner of deliberation and voting procedure of the Supervisory Committee of the Company, procuring supervisors and the Supervisory Committee to effectively perform their supervisory duties and giving full play to the supervisory functions of the Supervisory Committee.~~

Article 2 The Company shall have a Supervisory Committee, which shall consist of three supervisors, including two shareholder representative supervisors and one employee representative supervisor. The Supervisory Committee is the supervisory body of the Company, which shall be accountable and report its work to the general meeting, exercise the functions and powers granted by laws, regulations, the Articles of Association and the general meeting of shareholders, supervise the Company’s finance, and the legality of the performance of duties by the directors and officers of the Company and safeguard the legitimate rights and interests of the Company, shareholders and employees.

Article 3 The Supervisory Committee shall be accountable to the general meeting of shareholders and shall perform the following functions and exercise the following powers:

- (I) Review the Company’s regular reports prepared by the board of directors and provide comments thereon in writing;
- (II) Inspect the Company’s finance;
- ~~(III) Check financial reports, business reports, profit distribution plans and other financial documents to be submitted by the board of directors to general meetings and, if it has any queries, engage certified public accountants or practicing auditors in the name of the Company to help double check the relevant documents~~

- ~~(III)~~(IV) Supervise the performance of duties by directors and officers and propose removal of any director or officer who violates any law, administrative regulation, the Articles of Association or resolution passed at a general meeting;
- ~~(IV)~~(V) Demand any director or officer who acts to the detriment of the Company's interests to rectify such act and, if necessary, report to the general meeting or competent authorities;
- ~~(V)~~(VI) Propose an extraordinary general meeting, and convene and preside over a general meeting if the board of directors fails its duties under the Company Law and the Articles of Association to convene or preside over the meeting;
- ~~(VI)~~(VII) Put forward motions at general meetings;
- ~~(VII)~~(VIII) Propose to convene a special meeting of the board of directors when it considers necessary;
- ~~(VIII)~~(IX) Take legal actions against directors and officers in accordance with relevant provisions of the Company Law;
- ~~(IX)~~(X) Conduct investigations when it discovers any unusual business activities of the Company and, if necessary, engage professional service providers such as an accounting firm or a law firm to assist in their work, with expenses arising therefrom to be borne by the Company;
- (XI) Perform such other functions and exercise such other powers as granted by the Articles of Association or the general meeting of shareholders.

Article 4 The Supervisory Committee shall conduct daily supervision and inspection and hold meetings of the Supervisory Committee.

Article 5 The Company shall take measures to guarantee supervisors have right-to-know and provide supervisors with necessary information and data in a timely manner to facilitate the Supervisory Committee to effectively supervise, inspect and evaluate the Company's finance and operations.

The general manager shall, as required by the Supervisory Committee, report to the Supervisory Committee on execution and performance of important contracts, use of funds, and losses and profits of the Company. The general manager shall ensure that such report is true.

Article 6 Expenses necessary for the Supervisory Committee to perform its functions and exercise its powers shall be borne by the Company.

The expenses arising from supervisors attending meetings of the Supervisory Committee, including transport fees from supervisors' domiciles to the venue of meetings, board and lodging, shall be borne by the Company.

The expenses necessary for the Supervisory Committee activities are included in the Company's annual budget, which shall be approved by the chairperson of the Supervisory Committee and implemented in accordance with the Company's financial rules.

~~Reasonable expenses incurred by the Supervisory Committee in engaging lawyers, certified public accountants, practicing auditors and other professionals when performing its functions and exercising its powers shall be borne by the Company.~~

Chapter 2 Supervisors

Article 7 If a person shall not serve as a supervisor as stipulated by the Company Law or the Articles of Association, such person shall not serve as a supervisor; the appointment of such person as supervisor shall be invalid.

If a supervisor, during his or her term of office, is disqualified to be a supervisor under any circumstance set forth in the Company Law or the Articles of Association, the supervisor shall be removed by the Company.

Article 8 Directors, the general manager and other officers shall not serve as supervisors during their term of office; the number of supervisors who have held directorships or management positions of the Company during the last two years shall not exceed half of the total number of supervisors.

Article 9 Shareholder representative supervisors shall be elected or replaced by the general meeting. A list of candidates for such supervisors shall be proposed by shareholders individually or jointly holding at least 3% of the shares in the Company or the Supervisory Committee, and the Supervisory Committee shall propose such list by motion to the general meeting for election or replacement.

Employee representative supervisors shall be elected by the employee congress, employee representative congress or otherwise democratically.

Article 10 The term of office of an employee representative supervisor is the same as that of any directors and any shareholder representative supervisor. An employee representative supervisor may serve consecutive terms if re-elected upon expiry of his or her term of office. During an employee representative supervisor's term of office, the term of his or her labor contract shall be automatically extended to the expiry of the term of office; during and after

expiry of an employee representative supervisor's term of office, the Company shall not terminate the labor contract with him or her or retaliate against the supervisor for performing his or her duties as supervisor. If an employee representative supervisor resigns, he or she shall be automatically disqualified for serving as a supervisor. An additional election shall be conducted in a timely manner if there is a vacancy for the position of an employee representative supervisor, and the vacancy period shall generally not last for more than three months. The employee representative congress shall have the right to remove employee representative supervisors.

In case an employee representative supervisor is to be removed, at least one third of all employee representative supervisors shall jointly propose by motion for removal of such supervisor.

Article 11 A nominator shall brief the Supervisory Committee on his or her intention to nominate a shareholder representative supervisor and provide detailed information about the candidate for a shareholder representative supervisor nominated by him or her, including but not limited to:

- (I) Work experience, particularly, any work taken by the candidate in the Company, corporate shareholders, actual controllers, among others, of the Company.
- (II) Personal particulars, such as education background, professional background, work experience and any part-time jobs;
- (III) Number of shares held by the candidate in the Company;
- (IV) Whether the candidate has any connected relationship with any shareholder holding at least 5% of the shares in the Company, or actual controller, or any director, supervisor or officer of the Company;
- (V) Whether the candidate falls into a category of persons who shall not serve as a supervisor as stipulated by laws, regulations or normative documents.

The board of directors shall attach detailed information about candidates for shareholder representative supervisors in the notice of the general meeting to ensure shareholders thoroughly know about the profiles of the candidates when voting.

Article 12 The Supervisory Committee shall review the qualifications of the candidates for the positions of shareholder representative supervisors specified in the nomination motion. Except for any circumstance stipulated by laws, administrative regulations and the Articles of Association under which a person shall not serve as a shareholder representative supervisor, the Supervisory Committee shall submit the list of candidates nominated by it to the general meeting for election.

Article 13 Each candidate for the position of shareholder representative supervisor shall, before a general meeting is held, undertake in writing that he or she agrees to accept the nomination, warrants that the information publicly disclosed about himself or herself is true and complete and undertakes that he or she will duly perform duties as shareholder representative supervisor upon being elected. Each candidate for shareholder representative supervisor shall ensure that upon being elected, he or she will have sufficient time and attention to any affair of the Company during his or her term of office, and duly perform his or her duties as shareholder representative supervisor.

Article 14 A shareholder representative supervisor shall be elected by over half (exclusive) of valid votes held by shareholders (or their proxies) present at a general meeting. A newly elected shareholder representative supervisor will take office after the nomination motion is approved by the general meeting and the chairperson of the meeting announces the supervisor is elected.

Article 15 The term of office of a supervisor is three years. A supervisor may serve consecutive terms if re-elected.

A supervisor may resign from his or her office prior to the expiry of his or her term of office by tendering a written resignation to the Supervisory Committee.

If a new supervisor has not been elected upon expiry of a supervisor's term of office, or the number of supervisors falls below the quorum required by law due to a supervisor's resignation, the supervisor whose term of office expires or who resigns shall continue to perform his or her duties as supervisor in accordance with laws, administrative regulations and the Articles of Association until a newly elected supervisor takes office.

Article 16 If a supervisor who fails to attend meetings of the Supervisory Committee in person or by proxy twice in succession, and the number of meetings attended by him or her in person is less than two thirds of the total number of meetings held within a year, he or she shall be deemed unable to perform duties, and the general meeting or the employee congress or the employee representative congress shall remove such supervisor.

Article 17 Supervisors shall abide by laws, administrative regulations and the Articles of Association and bear fiduciary and due diligence duties toward the Company. Supervisors are prohibited from abusing their powers to accept bribes or other illegal income and from misappropriating the Company's property.

Article 18 A supervisor shall not use his or her connected relationship to harm the Company's interests; otherwise, he or she shall indemnify for any loss incurred by the Company.

Article 19 Supervisors shall ensure that information disclosed by the Company is true, accurate and complete, and shall sign a written confirmation of the periodic report.

Article 20 A supervisor may attend meetings of the board of directors as a non-voting attendee and make inquiries or suggestions regarding matters to be resolved by the board of directors.

Article 21 If supervisors find during their performance of their supervisory duties that any director or officer violates any law, administrative regulation, the Articles of Association or resolution passed at a general meeting, they shall propose removal of such director or officer.

Article 22 If supervisors find that any director, officer or the Company violates any laws, administrative regulations, ministerial rules, normative documents or the Articles of Association, which has resulted in or may result in a substantial loss to the Company, supervisors shall promptly report such violation to the board of directors and the Supervisory Committee and request the board of directors to have such violation rectified.

Article 23 A supervisor shall indemnify the Company for any loss suffered by the Company as a result of his or her violation of any laws, administrative regulations, ministerial rules or the Articles of Association when performing his or her duties.

Chapter 3 Organizational Structure of the Supervisory Committee

Article 24 The Supervisory Committee shall have one chairperson, whose appointment and removal shall be determined by more than half of all ~~affirmative votes of two-thirds or more of the~~ members of the Supervisory Committee.

Article 25 The chairperson of the Supervisory Committee shall perform functions and exercise powers as follows:

- (I) Convene and preside over meetings of the Supervisory Committee;
- (II) Review and sign reports of the Supervisory Committee as well as other important documents;
- (III) Report to the general meeting on the Supervisory Committee work on behalf of the Supervisory Committee;
- (IV) Supervise and inspect implementation of resolutions passed at meetings of the Supervisory Committee and report to the Supervisory Committee on such implementation;
- (V) Any other function and power granted by the Articles of Association or by resolutions passed at meetings of the Supervisory Committee.

Article 26 If the chairperson of the Supervisory Committee is unable or fails to perform his or her duties, a supervisor designated by at least half of all supervisors shall perform such duties.

Article 27 The daily affairs of the Supervisory Committee shall be attended to by the chairperson of the Supervisory Committee. The chairperson of the Supervisory Committee may request assistance from other staff members of the Company with the daily affairs of the Supervisory Committee.

Chapter 4 Supervision and Inspection

Article 28 The Supervisory Committee shall supervise and inspect matters including but not limited to:

- (I) The Company's finance;
- (II) Implementation of resolutions passed at general meetings;
- (III) Legality and compliance of the board of directors' decision-making procedures for material matters and operations and management of the Company;
- (IV) Financing, investment, guarantee, mortgage, transfer, acquisition and merger involving large amounts of money in the Company's business activities;
- (V) Whether any directors and senior officers of the Company violate laws, administrative regulations, ministerial rules, normative documents and Articles of Association when performing their duties;
- (VI) Any other supervisory function and power granted by the Articles of Association or the general meeting.

Article 29 The Supervisory Committee shall supervise and inspect relevant matters in accordance with legal procedures: supervision and inspection will be carried out through, among others, attending meetings of the board of directors as non-voting attendees, selectively observing the general manager's office meetings and the Company's other relevant meetings, inspection over special matters, investigation into special matters, on-site inspection, individual interviews, examining the Company's finance and auditing regular reports. The Supervisory Committee may request relevant departments of the Company to verify and elucidate relevant matters and may also engage qualified accounting firms, auditing firms, law firms and other professional institutions to verify and collect evidence, among others.

Article 30 The Supervisory Committee shall, while performing its duties, promptly attend to any noncompliance in the finance of the company and stop any violation of laws, regulations or the Articles of Association by directors, managers, the chief financial officer, the secretary to the board of directors and other officers of the Company. If such efforts of the Supervisory Committee are of no avail, it shall timely report to the board of directors and the general meeting.

The Supervisory Committee may adopt the following measures against issues discovered in the performance of its duties:

- (I) Issue an oral or written notice demanding for correction;
- (II) Inform directors and officers of the inspection results, make suggestions for rectification and, if necessary, report to the general meeting;
- (III) In case of material matters requiring the deliberation of the general meeting, propose to convene an extraordinary general meeting to the board of directors by signing a written proposal prepared in three or more copies in the same form and content and stating the motions to be discussed at the meeting;
- (IV) In the event that the board of directors gives a written reply stating it doesn't agree to hold the extraordinary general meeting or does not give a written reply within ten days after receiving the proposal, the Supervisory Committee may convene and preside over the meeting by itself. The Supervisory Committee shall follow the same procedure to convene a general meeting as that is followed by the board of directors. If the Supervisory Committee or shareholders decide to convene a general meeting, a written notice shall be given to the board of directors, and the board of directors and the secretary to the board of directors shall cooperate and provide the register of the shareholders of the Company. Expenses necessary for the meeting shall be borne by the Company;
- (V) Report or file complaint(s) to competent supervisory authorities and judicial organs.

Article 31 The Supervisory Committee of the Company shall implement supervision and inspection of the Company's branches and controlled companies in accordance with laws and foregoing procedures.

Chapter 5 Provisions of Meetings of the Supervisory Committee**Section 1 Proposal and Convening of Meetings of the Supervisory Committee**

Article 32 The chairperson of the Supervisory Committee shall convene and preside over meetings of the Supervisory Committee. If the chairperson is unable or fails to perform his or her duties with respect to a meeting of the Supervisory Committee, a supervisor selected by half or more of all supervisors shall convene and preside over the meeting.

After a new Supervisory Committee is elected at a general meeting, the supervisor getting the largest number of votes (or one of such supervisors in case they get the same number of votes) at the general meeting shall preside over the meeting to elect the chairperson of the newly elected Supervisory Committee.

Article 33 Meetings of the Supervisory Committee shall be convened at least once every six months. The chairperson of the Supervisory Committee shall convene such meetings. Supervisors may propose to convene special meetings of the Supervisory Committee.

Article 34 The chairperson of the Supervisory Committee shall convene special meetings of the Supervisory Committee within ten business days under the following circumstances:

- (I) If any supervisor puts forward a proposal to convene a special meeting;
- (II) If any resolution passed at a general meeting or a meeting of the board of directors violates laws, regulations, rules, provisions and requirements of regulators, the Articles of Association, other resolutions passed at general meetings or other relevant provisions;
- (III) If any misconduct of any director or any officer may cause material damage to the Company or may lead to adverse implications in the market;
- (IV) If a shareholder takes legal actions against the Company, any director, supervisor or officer;
- (V) Other circumstances specified in the Articles of Association.

Article 35 Before giving notice of a meeting of the Supervisory Committee, the chairperson of the Supervisory Committee shall solicit proposals from all supervisors.

Article 36 If a supervisor proposes to convene a special meeting of the Supervisory Committee, the supervisor shall submit a written proposal affixed with the supervisor's signature to the chairperson of the Supervisory Committee. The written proposal shall contain:

- (I) Name of the supervisor that puts forward such proposal;
- (II) Reason or ground(s) for such proposal;
- (III) Time or duration, venue or manner of the meeting;
- (IV) Clear and specific motion(s);
- (V) Contact details of the supervisor that puts forward proposal, date on which such proposal is put forward, etc.

Within three days after the chairperson of the Supervisory Committee receives such written proposal from a supervisor, the chairperson shall give a notice of the special meeting of the Supervisory Committee.

If the chairperson of the Supervisory Committee fails to give a notice of the meeting, the supervisor that puts forward the proposal shall have the right to report to relevant shareholders and supervisory authorities in a timely manner.

Section 2 Notice of Meetings of the Supervisory Committee

Article 37 Notice of a meeting or special meeting of the Supervisory Committee shall be sent by hand, post, fax, email, SMS or electronic data interchange or any other form of data message that can show the content thereof visibly and shall be given no later than one day before the meeting is held.

Notice manner and period of a special meeting for any urgent matter that requires a special meeting to be held as soon as possible will not be subject to the preceding paragraph, provided that the convener shall provide explanations at the meeting.

Article 38 The written notice of a meeting shall include, among others:

- (I) Time, venue and duration of the meeting;
- (II) Reason(s) for holding the meeting and agenda of the meeting;
- (III) Date on which the notice is given.

Section 3 Convening of Meetings of the Supervisory Committee

Article 39 As a general rule, a meeting of the Supervisory Committee shall be held on site at a particular venue. To the extent that the supervisors are guaranteed the right to fully express their opinions and exchange ideas, a special meeting, with the consent of the convener (the chairperson of the meeting) and the proposer, may be held by video, telephone call, fax, email or other means of telecommunications, and resolutions passed the meeting shall be signed by the supervisors in attendance. Meetings of the Supervisory Committee may be held concurrently on site and by other means.

If a meeting of the Supervisory Committee is not held on site, the number of supervisors whose presence at the meeting is shown by video, who express their opinions via telephone call, whose votes are valid and delivered via fax or e-mail within the specified time limit or whose written confirmation of attendance is submitted after the meeting shall all be counted, if applicable, towards the number of supervisors present at the meeting. Where the supervisors are unable to sign the resolutions passed at the meeting on site, they shall cast their votes orally and sign the resolutions as soon as possible. Oral voting by a supervisor shall have the same effect as his or her signature on written resolutions, provided that the vote indicated by such signature affixed to the resolutions after the meeting shall be consistent with the oral vote he or she casts at the meeting. If there is any discrepancy between a vote indicated by the signature affixed to the resolution on a specific matter after a meeting and the corresponding oral vote cast at the meeting, the Supervisory Committee shall re-conduct a written voting on such matter.

In case that the matter under deliberation is an isolated matter which requires no more than routine procedures, rendering discussion thereabout unnecessary, the Supervisory Committee may hold a meeting by written proposals, i.e., proposals shall be circulated among the supervisors for their deliberation and resolution. Unless otherwise indicated on the written resolution by a supervisor, the mere signature of the supervisor on the resolution shall be deemed as voting in favor of the resolution. Such resolution shall be passed only after it has been circulated among all the supervisors and signed by at least two thirds of the supervisors. The written resolution will take effect on the day when all supervisors in favor of the resolutions sign the resolution. Written resolutions shall have the same legal effect as resolutions passed at meetings of the Supervisory Committee by other means.

Article 40 Meetings of the Supervisory Committee shall not be held unless over half of all supervisors are present. The secretary to the board of directors may attend meetings of the Supervisory Committee as non-voting attendees.

Supervisors shall attend meetings of the Supervisory Committee in person. If any supervisor cannot attend a meeting for any reason, he or she may authorize in writing another supervisor to attend the meeting on his or her behalf. The proxy form shall specify the name of the proxy, matters delegated, and scope and term of authorization and shall bear the signature or seal of the principal. The supervisor attending the meeting on behalf of another

supervisor shall exercise the rights of the latter within the scope of authorization. If a supervisor neither attends a meeting of the Supervisory Committee in person nor authorizes a proxy to attend the meeting, he or she shall be deemed to have waived his or her right to vote at the meeting.

Article 41 The chairperson of the meeting shall announce the commencement of the meeting as scheduled. After the meeting formally commences, supervisors attending the meeting shall first reach a consensus on the agenda. If one third or more of the supervisors consider information related to any motion insufficient or reasoning of any motion unclear, they may jointly request for postponement of the deliberation of the relevant motion, and the chairperson of the meeting shall accept such request. After a consensus is reached on the agenda among supervisors attending the meeting, the meeting shall deliberate the proposals one at a time as instructed by the chairperson of the meeting.

Section 4 Deliberation and Voting at Meetings of the Supervisory Committee

Article 42 The chairperson of the meeting shall ask supervisors attending the meeting to express their opinions on all motions and shall, at the proposal of supervisors, request directors, officers, other employees of the Company or personnel from relevant intermediaries to observe the meeting to take inquiries and questions. Such personnel shall not be absent without cause from such meeting they are requested to observe by the Supervisory Committee.

Article 43 When a matter is voted on at a meeting of the Supervisory Committee, one supervisor shall have one vote. Voting shall be conducted by open ballot or other means that allow supervisors to express their opinions. Resolutions of the Supervisory Committee shall be passed by more than half ~~at least two thirds~~ of all members of the Supervisory Committee.

Supervisors attending a meeting shall take one of the following stances when a motion is put up for voting: for, against or abstain. In case a supervisor takes no stance or two or more stances on the same motion, the chairperson of the meeting shall request the supervisor to revote. Refusal to revote shall be deemed as an abstention. In case the supervisor leaves the venue and fails to revote, it shall be deemed as an abstention.

Article 44 Under urgent circumstances, the Supervisory Committee may vote via telecommunications, provided that the convener (the chairperson of the meeting) shall provide explanations to supervisors attending the meeting. When voting via telecommunications, supervisors shall, after confirming and signing their written opinions and their voting intentions regarding the matter under deliberation, fax such written opinions and voting intentions to the chairperson of the Supervisory Committee. Supervisors shall not merely indicate voting intentions without specifying written opinions or reasoning for such voting intentions.

Article 45 A complete audio recording of a meeting of the Supervisory Committee may be taken if necessary.

Section 5 Minutes and Resolutions of Meetings of the Supervisory Committee

Article 46 The Supervisory Committee shall prepare detailed minutes as formal evidence of resolutions passed at meetings of the Supervisory Committee. The minutes of a meeting of the Supervisory Committee shall include:

- (I) Time and venue of the meeting and the name of the convener;
- (II) Name of each supervisor or his or her proxy (i.e., another supervisor) present at the meeting;
- (III) Agenda of the meeting;
- (IV) Key points made by supervisors at the meeting;
- (V) Method and result of voting on each resolution (the voting result shall indicate the respective numbers of affirmative votes, negative votes and abstentions).

If a meeting of the Supervisory Committee is held via telecommunications, the Supervisory Committee shall prepare the minutes in accordance with the preceding provisions.

Supervisors attending a meeting of the Supervisory Committee shall sign the minutes. Supervisors shall have the right to have their speeches or different opinions made at the meeting recorded in the minutes in a descriptive manner. If a supervisor neither signs to confirm the minutes in accordance with the provisions in the preceding sentence nor elucidates his or her objection to the minutes in writing, the supervisor shall be deemed as completely agreeing with the meeting minutes.

Article 47 Resolutions shall be made on the matters under deliberation at a meeting of the Supervisory Committee. Resolutions of the Supervisory Committee shall include:

- (I) Serial number, time, venue and manner of the meeting, and a statement as to whether the meeting complies with relevant laws, administrative regulations, ministerial rules and the Articles of Association.
- (II) Attendance of supervisors, and the numbers and names of supervisors authorizing others to attend the meeting on their behalf and supervisors absent from the meeting, respectively, the reasons for such absence, and the names of the proxies;
- (III) The respective numbers of affirmative votes, negative votes and abstentions, and reasons for voting against or for abstention;
- (IV) Content of the matters under deliberation and resolutions passed at the meeting.

Resolutions passed at meetings of the Supervisory Committee shall be confirmed and signed by the supervisors attending the meetings. The supervisors attending meetings of the Supervisory Committee shall ensure that the content of the resolutions passed at the meetings is true, accurate and complete, containing no false documentation, misleading statement or material omission.

Article 48 Supervisors shall be responsible for resolutions passed at meetings of the Supervisory Committee. If any resolution is in contravention of any laws or administrative regulations or normative documents or the Articles of Association, causing any serious loss to the Company, the supervisors who have voted for the resolution shall be held accountable for such loss and indemnify the Company for the loss. However, a supervisor who is proven to have dissented from the resolution during the voting thereon and his or her dissenting opinion has been recorded in the minutes of the meeting may be exempt from liability. A supervisor who abstains from voting or who is absent from the meeting and fails to authorize others to attend the meeting on his or her behalf shall not be exempt from liability. A supervisor who expresses dissenting opinions in the discussion but doesn't vote against the resolution shall not be exempt from liability.

Article 49 Supervisors shall procure relevant personnel to implement resolutions passed at meetings of the Supervisory Committee and inspect such implementation. The chairperson of the Supervisory Committee shall inform the Supervisory Committee of such implementation at future meetings.

Article 50 Archives of meetings of the Supervisory Committee, including meeting notices and materials, sign-in books, audio recordings of the meetings, votes, meeting minutes and resolutions confirmed and signed by the supervisors present at the meeting, shall be kept for ten years.

Chapter 6 Supplementary Provisions

Article 51 These Rules shall be implemented as of the date of approval by the general meeting of the Company. Where these Rules are to be amended, the Supervisory Committee shall propose amendments to the general meeting for deliberation and approval, and no amendment shall take effect until approved by the general meeting.

Article 52 These Rules shall be in conformity with relevant laws including the Company Law, the Securities Law ~~and the Mandatory Provisions~~, regulations, normative documents, the listing rules of the stock exchanges where shares in the Company are listed, and relevant provisions of the Articles of Association of the Company. Where these Rules conflict with any law, regulation, normative document or the listing rules of any stock exchange where shares in the Company are listed, such law, regulation, normative document or listing rules shall prevail. Any matters not covered by these Rules shall be governed by laws, regulations, normative documents and the listing rules of stock exchanges where shares in the Company are listed.

Article 53 The term “at least” or “within” as used in these Rules shall include the given figure; while “over”, “less than”, “more than” shall exclude the given figure.

Article 54 These Rules shall be interpreted by the Supervisory Committee of the Company.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

PHARMARON BEIJING CO., LTD.

Independent Non-executive Directors Working Policy

Chapter 1 General Provisions

Article 1 Independent Non-executive Directors Working Policy (these “**Rules**”) is formulated in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “**Company Law**”), China Securities Regulatory Commission (“**CSRC**”), the listing rules of the stock exchange where shares in the Company are listed (including but not limited to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (香港聯合交易所有限公司證券上市規則) (the “**Listing Rules**”) and the Articles of Association of Pharmaron Beijing Co., Ltd. (the “Articles of Association”) for the purpose of improving the governance structure of Pharmaron Beijing Co., Ltd. (the “**Company**”), regulating the operation of the Company, better safeguarding the overall interests of the Company and protecting the legitimate rights and interests of all the shareholders, especially minority shareholders.

Article 2 An independent non-executive director is a director who does not hold any position in the Company other than as an independent non-executive director and who has no direct or indirect interest relationship with the Company or any of its majority shareholders and/or actual controller that or other who may interfere with the independent non-executive director’s independent and objective judgment.

Independent non-executive directors shall perform their duties independently and shall not be influenced by the Company or its major shareholders, actual controllers or other entities or individuals.

The independent non-executive directors bear the obligations of loyalty and diligence to the Company and all shareholders, and shall conscientiously perform their duties in accordance with the laws, administrative regulations, the provisions of the CSRC, the listing rules of the stock exchange where the Company’s shares are listed and the provisions of the Articles of Association, play the role of participating in decision-making, supervision and checks and balances, professional consultation in the board of directors (the “**Board**”), and safeguard the overall interests of the Company. Protect the legitimate rights and interests of minority shareholders.

Article 3 The Company shall have four independent non-executive directors. In case of any change to the number of directors as required by the Articles of Association, the Independent non-executive directors shall represent not less than one-third of the members of the Board or at least three, whichever is higher, and shall include at least one accounting/finance professional.

The Company shall establish an audit committee in the Board. The Audit Committee shall be composed of directors who are not members of the senior management of the Company, of whom more than half shall be independent non-executive directors, and the convener shall be an accounting/financial professional among the independent non-executive directors.

The Company shall set up special committees for nomination, remuneration and assessment, and strategy in the Board as required. More than half of the members of the Nomination Committee and the Remuneration and Appraisal Committee shall be independent non-executive directors, who shall act as the convener.

~~Company's board of directors shall at least have three independent non-executive directors, and the number of independent non-executive directors shall account for no less than one-third (inclusive) of the members of the board of directors.~~

Chapter 2 Qualifications of Independent Non-executive Directors

Article 4 Independent non-executive directors must remain independent. None of the following persons shall serve as independent non-executive directors of the Company:

- (I) A person who holds a position in the Company or any of its subsidiary, or any immediate relative and major social relation of such person;
- (II) A nature person who directly or indirectly holds at least 1% of issued shares in the Company or is among the top ten shareholders of the Company, or any immediate relative of such shareholder;
- (III) Any employee of any corporate shareholder that directly or indirectly holds at least 5% of issued shares in the Company or is among the top five corporate shareholders of the Company, and any immediate relative of such employee;
- (IV) Any person who holds a position in units of the controlling shareholders or de facto controllers of the Company or any subsidiaries thereof, or any immediate relative of such person;
- (V) Any person who provides financial, legal or advisory services to the Company and its controlling shareholders or de facto controllers or their respective subsidiaries, including but not limited to project team members of the intermediary providing the service, all levels of review personnel, personnel who signed the report, partners and principals;

- (VI) Persons who hold positions in units that have significant business transactions with the Company and its controlling shareholders and de facto controllers or their respective subsidiaries, or persons who hold positions in units of controlling shareholders of those units that involved in significant business transactions;
- (VII) Any person who falls into any of the above six categories during the latest twelve months; or
- (VIII) Any other person as provided by applicable laws and regulations, normative documents, business rules of the stock exchanges, the Articles of Association and the securities regulators of the places where shares in the Company are listed.

In the foregoing paragraphs, “affiliated enterprise” refers to an enterprise directly or indirectly controlled by a relevant entity; “major social relation of a person” refers to any of the siblings, parents-in-law or children-in-law of such person, any of the spouses of such person’s siblings, any of such person’s spouse’s siblings, etc.; “significant business transactions” refers to the matters to be submitted to the general meeting for consideration according to the listing rules of the Shenzhen Stock Exchange or requirements of the Articles of Association, or other major matters defined by the Shenzhen Stock Exchange; “holding positions” refers to serving as directors, supervisors, senior managers and other personnel.

The independent non-executive directors shall conduct self-inspection on the independence every year and submit the self-inspection results to the Board. The Board shall evaluate the independence of the incumbent independent non-executive directors and issue special opinions every year, which shall be disclosed together with the annual report.

Article 5 An independent non-executive director of the Company shall:

- (I) Be qualified as a director of the Company in accordance with applicable laws, regulations and other relevant provisions (including the requirement of independence under Chapter 3 of the Listing Rules);
- (II) Having the independence requirements stipulated by laws, regulations, the CSRC, the listing rules of the stock exchange where the Company’s shares are listed, the Articles of Association and this system;~~Not hold any position in the Company other than as a director and not have any relationship with the Company or its majority shareholders that may interfere with the independent non-executive director’s independent and objective judgment;~~
- (III) Have at least five years of legal, economic, management, accounting, finance or economic other work experience necessary to perform the duties of an independent non-executive director;

- (IV) Having the basic knowledge of the operation of listed companies and being familiar with relevant laws, regulations and rules;
- (V) have good personal character, and there is no bad record of major dishonesty;
- (VI) Other conditions stipulated by laws, regulations, the CSRC, the listing rules of the stock exchange where the company's shares are listed, the Articles of Association and this system.

In assessing the independence requirements in Chapter 3 of the Listing Rules as set out in the preceding paragraph, the Hong Kong Stock Exchange will take into account the following factors, each of which is not necessarily conclusive, except that the independence of a director may be more likely to be challenged if:

- (I) The director has obtained any interest in securities of the listed issuer from a core connected person (as defined in the Listing Rules) or the listed issuer itself by way of gift or other financial assistance. However, subject to the Listing Rules, he will still be regarded as an independent director if he receives any interest in shares or securities of the listed issuer or its subsidiaries (but not Core Connected Persons) as part of his director's fee or pursuant to a share scheme in accordance with Chapter 17 of the Listing Rules;
- (II) That director is or has been a director, partner or principal of, or an employee of, a professional adviser who is or has been involved in the provision of services to the following companies/persons:

The listed issuer, its holding company or any of their respective subsidiaries or core connected persons; or

Any person who has been a controlling shareholder of the listed issuer or, if the issuer has no controlling shareholder, a chief executive or director (other than an independent non-executive director) of the listed issuer, or any of his close associates, in the two years preceding the date of the proposed appointment of such person as an independent non-executive director;

- (III) That director has or has had a material interest in any of the principal business activities of the listed issuer, its holding company or any of their respective subsidiaries, either now or within one year before the date of his proposed appointment as an independent non-executive director; Or is involved or has been involved in a material commercial transaction with the listed issuer, its holding company or their respective subsidiaries or with any core connected person of the listed issuer;

- (IV) The director serves on the Board for the purpose of protecting an entity whose interests are different from those of the shareholders as a whole;
- (V) The director has been connected with a director, chief executive or substantial shareholder of the listed issuer for the time being or within two years prior to the date of his proposed appointment as an independent non-executive director¹;
- ~~(VI)~~ The director is (or has been within two years prior to the date on which he is proposed to be appointed as a director) a listed issuer, Is an executive or director (other than an independent non-executive director) of its holding company or any of its respective subsidiaries or any core connected person of the listed issuer; “executive” includes any person who holds managerial responsibility within the Company and any person who holds the position of Company;
- (VII) The director is financially dependent on the listed issuer, its holding company or any of their respective subsidiaries, or a core connected person of the listed issuer.

~~**Article 5** None of the following persons shall serve as independent non-executive directors of the Company:~~

- ~~(I) A person who holds a position in the listed Company or any subsidiary thereof, or any immediate relative or and major social relation of such person (An immediate relative of a person refers to any of the spouse, parents, children, etc. of such person; a major social relation of a person refers to any of the siblings, parents-in-law or children-in-law of such person, any of the spouses of such person’s siblings, any of such person’s spouse’s siblings, etc.);~~
- ~~(II) A nature person who directly or indirectly holds at least 1% of issued shares in the Company or is among the top ten shareholders of the Company, or any immediate relative of such shareholder;~~
- ~~(III) Any employee of any corporate shareholder that directly or indirectly holds at least 5% of issued shares in the Company or is among the top five corporate shareholders of the Company, and any immediate relative of such employee;~~
- ~~(IV) Any person who holds a position in units of the controlling shareholders or de facto controllers of the Company or any subsidiaries thereof, or any immediate relative of such person falls into any of the above three categories during the past one year;~~

¹: Any person cohabiting as a spouse with, and any child, step-child, parent, step-parent, brother, sister, step-brother and step-sister of, a director, the chief executive or a substantial shareholder of the listed issuer is, for the purpose of rule 3.13(6), considered to be connected with that director, chief executive or substantial shareholder. A father-in-law, mother-in-law, son-in-law, daughter-in-law, grandparent, grandchild, uncle, aunt,

cousin, brother-in-law, sister-in-law, nephew and niece of a director, the chief executive or a substantial shareholder of the listed issuer may in some circumstances also be considered to be so connected. In such cases, the listed issuer will need to provide the Exchange with all relevant information to enable the Exchange to make a determination.

- ~~(V) Any person who provides financial, legal or advisory services to the Company and its controlling shareholders or de facto controllers or their respective subsidiaries subsidiary, thereof, including but not limited to project team members of the intermediary providing the service, all levels of review personnel, personnel who signed the report, partners and principals;~~
- ~~(VI) Persons who hold positions in units that have significant business transactions with the Company and its controlling shareholders and de facto controllers or their respective subsidiaries, or persons who hold positions in units of controlling shareholders of those units that involved in significant business transactions;~~
- ~~(VII) Any person who falls into any of the above six categories during the latest twelve months;~~
- ~~(VIII) Any other person as provided by applicable laws and regulations, normative documents, business rules of the stock exchanges, the Articles of Association and the securities regulators of the places where shares in the Company are listed.~~

~~In the foregoing paragraphs, “major social relation of a person” refers to any of the siblings, parents-in-law or children-in-law of such person, any of the spouses of such person’s siblings, any of such person’s spouse’s siblings, etc.; “significant business transactions” refers to the matters to be submitted to the general meeting for consideration according to the listing rules of the Shenzhen Stock Exchange or requirements of the Articles of Association, or other major matters defined by the Shenzhen Stock Exchange; “holding positions” refers to serving as directors, supervisors, senior managers and other personnel. The subsidiaries of the controlling shareholders and de facto controllers of the Company listed in items (IV), (V) and (VI) of the preceding paragraph shall exclude the subsidiaries that are not associated with the listed companies according to the listing rules of the Shenzhen Stock Exchange or requirements of the Articles of Association.~~

Article 6 In principle, an independent non-executive director shall serve as an independent director/independent non-executive director in no more than three domestic listed companies (including the Company) and no more than seven companies listed on any stock exchange (including the Company), and shall ensure that he has sufficient time and energy to effectively perform his duties as an independent non-executive director.

**Chapter 3 Nomination, Election and Replacement of Independent
Non-executive Directors**

Article 76 Independent non-executive directors shall be elected or replaced by the general meeting. The term of office of independent non-executive directors shall be three years. Independent non-executive directors may serve consecutive terms if re-elected upon expiry of their terms of office, but such consecutive terms of office shall not exceed six years.

The ~~Board of directors~~, the Supervisory Committee, and shareholders who individually or jointly hold at least 1% of issued shares in the Company shall have the right to nominate candidates for independent non-executive directors. The aforesaid nominators shall not nominate any person who has an interest relationship with them or any other person who has a close relationship with them that may affect their independent performance of duties as an independent non-executive director candidate.

Investor protection institutions established in accordance with the law may publicly request shareholders to entrust them to exercise the right to nominate independent non-executive directors on their behalf.

Before nominating an independent non-executive director, the nominator shall obtain the consent of the nominee. The nominator shall know sufficiently about the occupation, educational background, professional title, detailed work experience and all the concurrent positions of the nominee and whether there is any bad record such as major dishonesty, and shall express an opinion on the eligibility and independence of the nominee for serving as independent non-executive director. The nominee shall make a public statement on his/her independence and other conditions for acting as an independent non-executive director. ~~The nominee shall make a public statement that there is no relationship between himself or herself and the Company that would affect his or her independent and objective judgment.~~ When announcing the general meeting for the election of independent non-executive directors, the information relating to the candidates for independent non-executive directors (including but not limited to the nominators' statements, the nominees' statement and profiles, other information required under B.3.4 of the Corporate Governance Code in Appendix 14 to the Listing Rules) shall be disclosed in an appropriate form in accordance with the laws and other rules applicable to the Company.

The Nomination Committee shall review the qualifications of the nominees and form clear review opinions.

Article 7-8 An independent non-executive director candidate nominated in the capacity of an accounting professional shall have extensive accounting expertise and experience, and shall meet at least one of the following conditions in addition to the relevant requirements under Article 3.10 (2) of the Listing Rules:

- (I) Having the qualification of certified public accountant;
- (II) Having a senior professional title in accounting, auditing or financial management, associate professor or above, doctoral degree;
- (III) Having a senior professional title in economic management and more than five years of full-time work experience in accounting, auditing or financial management. The independent non-executive directors appointed by the Company shall include at least one accounting professional who meets the relevant requirements of rule 3.10(2) of the Listing Rules.

~~In addition to the above requirements, independent non-executive directors are also required to meet the relevant requirements under Rule 3.10(2) of the Listing Rules.~~

Article 98 The Company shall, prior to the convening of the shareholders' general meeting for the election of independent non-executive directors, submit the Statements and Undertakings of Nominees of Independent Directors, Statements and Undertakings of Candidates for Independent Directors, Resumes of Candidates for Independent Directors and other relevant materials to the stock exchange where the shares of the Company are listed, and disclose the relevant statements and undertakings and the review opinions of the Nomination Committee. And ensure that the contents of the announcement are true, accurate and complete. Where the Board has any objection to the relevant information of the candidate for independent non-executive director, the written opinions of the Board shall be submitted at the same time.

~~In the event that the candidate for independent non-executive director fails to meet the qualifications for appointment as an independent non-executive director or the requirements for independence, the stock exchange where the shares of the Company are listed may raise an objection to the qualifications for appointment and independence of the candidate for independent non-executive director, and the Company shall make a timely disclosure. Before the general meeting for the election of independent non-executive directors, the board of directors shall announce the information provided in the third paragraph of Article 6 hereof as required.~~

~~Prior to the general meeting for the election of independent non-executive directors, the Company shall submit information relating to the nominees to the local branch of China Securities Regulatory Commission (the "CSRC") and the local stock exchange where the Company is domiciled. If the board of directors has any objection to the information of the nominees, it shall submit its written opinion along with such information.~~

When the Company convenes a shareholders' general meeting to elect an independent non-executive director, the Board shall explain whether the independent non-executive director candidate is objected by the stock exchange where the shares of the Company are listed. The Company shall not submit the candidates for independent non-executive directors to the shareholders' general meeting for election if the stock exchange where the shares of the Company are listed raises any objection. If the proposal has been submitted to the general meeting of shareholders for deliberation, the proposal shall be cancelled.

~~Any nominee who receives any objection from the local branch of the CSRC or the stock exchange may be considered as a candidate for director of the Company, but not as candidate for independent non-executive director. At a general meeting to elect independent non-executive directors, the board of directors shall explain whether the candidates for independent non-executive directors receive any objection at the local branch of the CSRC the HKSFCC or the local stock exchange.~~

Article 9-10 ~~Where the shareholders' general meeting of the Company elects more than two independent non-executive directors, the cumulative voting system shall be adopted. The votes of minority shareholders shall be counted separately and disclosed. Any independent non-executive director candidate shall attend in person the general meeting at which his or her appointment is reviewed and shall report to the general meeting on whether he or she has been:~~

- ~~(I) Prohibited by the Company Law from acting as director;~~
- ~~(II) Banned by the CSRC to enter the market and the ban has not been lifted;~~
- ~~(III) Publicly determined by a stock exchange as not suitable to act as director of a listed company, and less than two years has lapsed since the determination;~~
- ~~(IV) Otherwise subject to any punishment or penalty imposed by the CSRC or a stock exchange in the past three years.~~

~~Independent non-executive directors shall also state their independence and competence and accept inquiries from shareholders.~~

Article 10-11 ~~Independent non-executive directors shall attend meetings of the board Board in person. If an independent non-executive director is unable to attend a meeting of the board Board of directors in person, the such director shall review the meeting materials in advance, form a clear opinion and appoint another independent non-executive director to attend the meeting on his or her behalf. If any matter is to be voted on at the meeting, the absent independent non-executive director shall specify in the proxy his or her vote in favor of, against or abstention on each such matter.~~

If an independent non-executive director fails to attend meetings of the board Board of directors in person or entrust another independent non-executive director to attend the meeting on his behalf for two consecutive times, the Board shall propose to convene a shareholders' general meeting to remove the independent non-executive director within 30 days from the date

~~of occurrence of such fact. in person three times in succession, the director shall be deemed as unable to perform his or her duties, and the board of directors shall propose to a general meeting for the removal of such independent non-executive director.~~

~~**Article 121** Prior to the expiration of the term of office of an independent non-executive director, the Company may remove him from office in accordance with legal procedures. Where an independent non-executive director is removed in advance, the Company shall disclose the specific reasons and basis in a timely manner. Where the independent non-executive director has any objection, the company shall make a timely disclosure. Prior to expiry of his or her term of office, an independent non-executive director may not be removed without just cause. In case of such removal, the Company shall make a special disclosure thereof.~~

~~If an independent non-executive director fails to comply with the provisions of Items (1) and (2) of Article 5 of the System, he shall immediately cease to perform his duties and resign. If he fails to submit his resignation, the Board shall immediately remove him from his post in accordance with the provisions after he knows or should know the fact.~~

~~The resignation or removal of an independent non-executive director due to the circumstances specified in the preceding paragraph results in the proportion of independent non-executive directors in the Board or its special committees not conforming to the provisions of the CSRC, the listing rules of the stock exchange where the company's shares are listed and the Articles of Association, or there is a lack of accounting professionals among the independent non-executive directors. The Company shall complete the by-election as soon as possible (no later than 60 days) after the occurrence of the aforesaid facts.~~

~~**Article 13** An independent non-executive director may resign from his or her office before his or her term of office expires by tendering a written resignation to the board Board of directors, specifying any matter which is related to his or her resignation or which he or she considers necessary to bring to the attention of the Company's shareholders and creditors. The Company shall disclose the reasons for the resignation of the independent non-executive director and the matters of concern. If the resignation causes the number of independent non-executive directors in the board Board of directors or special committees of the company to be inconsistent with the provisions of the CSRC, the listing rules of the place where the company's shares are listed or the Articles of Association, or if there is a lack of accounting professionals among the independent non-executive directors. The independent non-executive director who intends to resign shall continue to perform his duties until the new independent non-executive director is appointed. The Company shall complete the by-election within 60 days from the date of resignation of the independent non-executive director. to fall below the minimum requirement of the Articles of Association, the resignation shall not take effect until a succeeding independent non-executive director has filled his or her vacancy.~~

~~**Article 12** In the event that any independent non-executive director fails to be independent as required herein or is otherwise unsuitable to perform duties as independent non-executive director, the Company shall make up for the dismissed one(s) and maintain the number of independent non-executive directors as required by the Articles of Association~~

Chapter 4 Duties ~~Role~~ of Independent Non-executive Directors

Article 143 ~~In addition to the duties and powers conferred by the Company Law and other applicable laws and regulations, The independent non-executive directors shall perform the following duties: an independent non-executive director shall have the following special functions and powers:~~

- (I) ~~To participate in the decision-making of the Board and express clear opinions on the matters under discussion; Approve connected transactions by the independent non-executive director before the transactions are submitted to the board of directors for deliberation. An independent non-executive director may, before making a decision, engage an intermediary to issue an independent financial advisory report as the basis for him or her to make the decision;~~
- (II) ~~To supervise the potential major conflicts of interest between the Company and its controlling shareholders, actual controllers, directors and senior managers listed in Articles 23, 26, 27 and 28 of the Measures for the Administration of Independent Directors of Listed Companies, to urge the Board to make decisions in line with the overall interests of the Company and to protect the legitimate rights and interests of minority shareholders; Propose engagement or dismissal of an accounting firm to the board of directors;~~
- (III) ~~Provide professional and objective suggestions for the Company's operation and development, and promote the decision-making level of the Board; Propose to the board of directors for holding of an extraordinary general meeting;~~
- (IV) ~~Other duties stipulated by laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the company's shares are listed and the Articles of Association. Collect opinions from minority shareholders, propose a profit distribution and capitalization of capital reserves plan and submit the same directly to the board of directors for deliberation;~~
- (V) ~~Propose a meeting of the board of directors;~~
- (VI) ~~Engage an external auditing or advisory firm independently; and~~
- (VII) ~~Engage an external auditing service providers and consulting firms independently.~~

Independent non-executive directors shall perform their duties independently and impartially, and shall not be influenced by the Company or its major shareholders, actual controllers or other entities or individuals. If it finds that the matters under consideration affect its independence, it shall declare to the Company and withdraw. During the term of office, if there is any circumstance that obviously affects the independence, the Company shall be notified in a timely manner, and the solution measures shall be proposed, and if necessary, the resignation shall be submitted.~~An independent non-executive director shall obtain the consent of at least half of all the independent non-executive directors before performing any of the functions or exercising any of powers set out in items (I) to (VI) above.; With and shall obtain the consent of all the independent non-executive directors before performing any of the functions or exercising any of powers set out in item (VII) above, the independent non-executive directors may independently engage external auditing service providers and consulting firms to handle relevant matters of the Company with relevant expenses borne by the Company. The aforesaid items (I) and (II) above shall be submitted to the Board for discussion subject to the consent of at least half of the independent non-executive directors. If any of above-mentioned proposals is not accepted, or any of the above functions and powers cannot be performed or exercised properly, the Company shall make disclosure of the same.~~

Article 154 The independent non-executive directors shall exercise the following special powers:~~Independent non-executive directors shall proactively perform their due diligence obligations and engage intermediaries to conduct special investigation when necessary, if they discover:~~

- (I) To independently employ an intermediary agency to audit, consult or verify the specific matters of the Company;~~Any material matter not submitted to the board of directors for deliberation as required;~~
- (II) To propose to the Board to convene an extraordinary general meeting of shareholders;~~Failure to perform any information disclosure obligation in a timely manner;~~
- (III) Propose to convene a meeting of the Board;~~Any false record, misleading statement or material omission in the public information;~~
- (IV) To publicly solicit shareholders' rights from shareholders in accordance with the law;~~Any other circumstance that may violate any law and regulation or harms the legitimate rights and interests of minority shareholders.~~
- (V) To express independent opinions on matters that may damage the rights and interests of the Company or minority shareholders;
- (VI) Other functions and powers stipulated by laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the company's shares are listed and the Articles of Association.

Where an independent non-executive director exercises the functions and powers listed in Items (1) to (3) of the preceding paragraph, it shall be agreed by more than half of all independent non-executive directors.

Where an independent non-executive director exercises the powers listed in the first paragraph, the Company shall make a timely disclosure. If the aforesaid functions and powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 165 Prior to the meeting of the Board, the independent non-executive directors may communicate with the secretary of the Board, inquire about the matters to be considered, request for supplementary materials, and put forward opinions and suggestions. The Board and the relevant personnel shall carefully study the issues, requirements and opinions raised by the independent non-executive directors, and provide timely feedback to the independent non-executive directors on the implementation of the amendments to the proposals. ~~Independent non-executive directors shall promptly report to the local branch of the CSRC or the local stock exchange if:~~

- ~~(I) Any independent non-executive director is dismissed by the Company but considers the dismissal unjustified;~~
- ~~(II) Any independent non-executive director resigns because the Company in any way hinders his or her performance of duties in accordance with applicable laws;~~
- ~~(III) The materials for a meeting of the board of directors are insufficient, and at least two independent non-executive directors propose to postpone the meeting of the board of directors or the deliberation of matters that such insufficient materials concern, but the proposal is not adopted;~~
- ~~(IV) The board of directors fails to take effective measures after the Company or any of its directors, supervisors or officers reports any alleged incompliance to the board of directors;~~
- ~~(V) There is any other circumstance that seriously hinders independent non-executive directors' performance of their duties.~~

~~If independent non-executive directors intend to make a public announcement in respect of the above circumstances, they shall report to the stock exchange before the disclosure and make the announcement on the media designated by the CSRC after being reviewed and approved by the stock exchange~~

Article 176 Where an independent non-executive director votes against or abstains from voting on the proposal of the Board, he shall state the specific reasons and basis, the legality and compliance of the matters involved in the proposal, the possible risks and the impact on

~~the rights and interests of the Company and minority shareholders. When disclosing the resolutions of the Board, the Company shall also disclose the dissenting opinions of the independent non-executive directors, which shall be recorded in the resolutions and meeting minutes of the Board. In addition to performing the duties stipulated in relevant laws and regulations, normative documents, the trading rules of the stock exchanges, the Articles of Association and these Rules, independent non-executive directors shall also give their independent opinions on the following material events of the Company:~~

- ~~(I) Nomination, appointment or removal of any director;~~
- ~~(II) Appointment or dismissal of any officer;~~
- ~~(III) Remunerations of directors and officers of the Company;~~
- ~~(IV) Engagement or dismissal of an accounting firm;~~
- ~~(V) Changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;~~
- ~~(VI) Production of non-standard unqualified audit opinions by an accounting firm on the financial reports and internal control of listed companies;~~
- ~~(VII) Appraisal report on internal control;~~
- ~~(VIII) The proposal that connected parties undertaking to the changes in accordance with the provisions of Section 4 of Chapter 7 of the Self-Regulatory Guidelines for Listed Companies of the Shenzhen Stock Exchange No. 2 – the Compliant Operation of Listed Companies of the ChiNext Market;~~
- ~~(IX) The impacts of issuing preference shares on the equities of shareholders of the Company in each class;~~
- ~~(X) The formulation, adjustment, decision-making procedures, implementation and information disclosure of the Company's cash dividend policy and whether such policy will harm the legitimate rights and interests of minority shareholders;~~
- ~~(XI) Connected/related party transactions to be disclosed, external provision of guarantees (excluding guarantees for subsidiaries within the scope of consolidated statements), entrusted management of wealth, provision of financial assistance for others, change of matters relating to the use of raised funds, voluntary change of accounting policies of the Company, investment in shares and derivatives and other material matters that shall be deliberated and approved by the board of directors or the general meeting;~~

- ~~(XII) Material asset restructuring plan, acquisition by management, and equity incentive plan, employee stock ownership plan, stock buyback plan, plan of settling debts with assets for related parties of listed companies;~~
- ~~(XIII) The Company's decision to stop trading on the stock exchange on which the shares of the Company are listed launched its initial public offering or to apply for trading its shares on other trading facilities;~~
- ~~(XIV) Any matters that in the opinion of an independent non-executive director may prejudice the interests of minority shareholders;~~
- ~~(XV) Other matters provided in applicable laws, administrative regulations, ministerial rules, normative documents, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association.~~

Article 18 The independent non-executive directors shall continuously pay attention to the implementation of the resolutions of the Board related to the matters listed in Articles 23, 26, 27 and 28 of the Measures for the Administration of Independent Directors of Listed Companies, and find that there is a violation of laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the company's shares are listed and the Articles of Association. Or in violation of the resolutions of the general meeting of shareholders and the Board, it shall report to the Board in a timely manner and may require the Company to make a written explanation. The Company shall make timely disclosure of the matters involved in the disclosure.

Where the Company fails to make an explanation or timely disclosure in accordance with the provisions of the preceding paragraph, the independent non-executive directors may report to the CSRC and the Shenzhen Stock Exchange.

Article 197 The following matters shall be submitted to the Board for deliberation with the consent of more than half of all independent non-executive directors of the Company:~~An independent opinion issued by independent non-executive directors on a material matter shall at least include:~~

- (I) Related transactions that shall be disclosed;~~Basic information of the material matter;~~
- (II) Plans for the change or exemption of commitments of the Company and related parties;~~The basis on which the opinion is given, including but not limited to the procedures, the documents reviewed and the details of on-site inspection;~~
- (III) The decisions made and measures taken by the Board of the acquired Company in connection with the acquisition;~~The legality and compliance of the material matter;~~

- (IV) Other matters stipulated by laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the company's shares are listed and the Articles of Association. The impact on the rights and interests of the Company and its minority shareholders, the possible risks and the effectiveness of the measures adopted by the Company;
- (V) The conclusive opinion on the matter in question. If any independent non-executive director gives a qualified opinion, a dissenting opinion or no opinion on the material matter, the director shall expressly give the reasoning therefor.

An independent opinion given by an independent non-executive director may be consent, a qualified opinion and the reasoning therefor, a dissenting opinion and the reasoning therefor or no opinion and the reasoning therefor, and the opinion shall be clear and unambiguous. Independent non-executive directors shall sign and confirm their independent opinions and timely submit such opinions to the board of directors. The opinions shall be disclosed together with the relevant announcements of the Company.

Article 2018 The Company shall convene meetings attended by all independent non-executive directors on a regular or irregular basis (i.e. Special meetings of independent directors, the full text of which shall be the same). The special meeting of independent directors shall be held on site, and may be held by video, telephone or other means when necessary, on the premise of ensuring that all participants can fully communicate and express their opinions.

The notice of the meeting shall be sent to all independent non-executive directors by the convener via email, SMS or telephone three days prior to the meeting. The notice of the meeting shall include the date, venue, method of convening the meeting, matters to be considered and the date of issuance of the notice. With the unanimous consent of all independent non-executive directors, the notice period may not be subject to the above restrictions.

The Company shall provide convenience and support for the convening of special meetings of independent directors. The board of directors shall establish a strategy committee, an audit committee, a nomination committee and a remuneration and appraisal committee. Independent non-executive directors shall be the majority of the members of each such committee and act as the person in charge of the audit committee, the nomination committee and the remuneration and appraisal committee. At least one independent director of the audit committee shall be an accounting professional (see Article 7 for details).

Article 21 The special meeting of independent directors shall be convened and presided over by an independent non-executive director jointly recommended by more than half of the independent non-executive directors. If the convener fails to perform his duties or is unable to perform his duties, two or more independent non-executive directors may convene and recommend a representative to preside over the meeting.

Article 22 The special meeting of independent directors shall not be held unless more than half of the independent non-executive directors are present or entrusted to attend. An independent non-executive director shall attend the special meeting of independent directors in person. If he is unable to attend the meeting in person for any reason, he shall review the meeting materials in advance, form a clear opinion, and entrust another independent non-executive director in writing to attend the meeting on his behalf. If an independent non-executive director fails to attend the meeting in person for two consecutive times and fails to entrust another independent non-executive director to attend the meeting on his behalf, the Board shall propose to convene a shareholders' general meeting to remove the independent non-executive director. Where an independent non-executive director entrusts another independent non-executive director to attend the meeting and exercise the voting right on his behalf, he shall submit a power of attorney to the chairman of the meeting. The power of attorney shall be submitted to the chairman of the meeting before voting at the meeting. If necessary, the executive directors, non-executive directors, senior management of the Company and relevant persons involved in the subject matter may attend the special meeting of independent directors as non-voting delegates, but such non-voting delegates shall not have the right to vote on the proposals of the meeting.

Article 23 The voting at the special meeting of independent directors shall be one person, one vote. Voting at a special meeting of independent directors may be by open ballot, show of hands, communication voting or other voting methods.

The matters listed in Items (1) to (3) of Paragraph 1 of Article 15 and Article 19 of the Rules shall be deliberated at the special meeting of independent directors, and the special meeting of independent directors may study and discuss other matters of the Company as required. The resolution/review opinion of the special meeting of independent directors shall be approved by more than half of all independent non-executive directors.

Article 24 Where an independent non-executive director expresses independent opinions, the opinions expressed shall be clear and definite, and shall at least include the following contents:

- (I) The basic situation of major matters;
- (II) The basis for expressing opinions, including the procedures to be performed, the documents to be checked, and the contents of on-site inspection;
- (III) The legality and compliance of major matters;
- (IV) The impact on the rights and interests of the Company and minority shareholders, the possible risks and the effectiveness of the measures taken by the company;
- (V) Concluding opinions issued, including consent opinions, reservations and reasons, objections and reasons, inability to express opinions and obstacles.

The independent non-executive directors shall sign and confirm the independent opinions issued, and report the aforesaid opinions to the Board in a timely manner, and disclose them together with the relevant announcements of the Company.

Article 25 Independent non-executive directors shall perform their duties in the special committees of the Board in accordance with laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the shares of the Company are listed and the Articles of Association. An independent non-executive director shall attend the meeting of the special committee in person. If he is unable to attend the meeting in person for any reason, he shall review the meeting materials in advance, form a clear opinion, and entrust another independent non-executive director to attend on his behalf. In the course of performing their duties, the independent non-executive directors may timely submit to the special committees for discussion and deliberation the material matters of the Company within the scope of the duties of the special committees in accordance with the procedures.

Article 26 The time for independent non-executive directors to work on the site of the Company shall not be less than 15 days each year.

In addition to attending the general meeting of shareholders, special meetings of the Board and its special committees, and special meetings of independent directors as required, The independent non-executive directors may perform their duties through various means, such as regular access to the information on the Company's operation, listening to the reports of the management, communicating with the person in charge of the internal audit department, the accounting firm undertaking the audit of the Company and other intermediaries, field visits, and communicating with minority shareholders.

Article 27 The Board and its special committees and special meetings of independent directors shall prepare meeting minutes in accordance with the provisions, and the opinions of independent non-executive directors shall be recorded in the meeting minutes. The independent non-executive directors shall sign the meeting minutes for confirmation.

An independent non-executive director shall prepare a work record to record the performance of duties in detail. The information obtained by the independent non-executive directors in the course of performing their duties, the minutes of relevant meetings, and the records of communication with the staff of the Company and intermediaries shall constitute an integral part of the working records. The independent non-executive directors may require the secretary of the Board and other relevant personnel to sign and confirm the important contents of the working records, and the Company and relevant personnel shall cooperate.

The working records of the independent non-executive directors and the information provided by the Company to the independent non-executive directors shall be kept for at least ten years.

Article 28 The Company shall improve the communication mechanism between the independent non-executive directors and the minority shareholders. The independent non-executive directors may verify the problems raised by the investors with the Company in a timely manner.

Article 29 An independent non-executive director shall submit an annual work report to the annual general meeting of shareholders of the Company to explain his performance of duties. The annual work report shall include the following contents:

- (I) The number, method and voting of attendance at the Board meeting, and the number of attendance at the shareholders' general meeting;
- (II) Participation in the work of special committees of the Board and special meetings of independent directors;
- (III) Deliberating the matters listed in Articles 23, 26, 27 and 28 of the Measures for the Administration of Independent Directors of Listed Companies and exercising the special functions and powers of independent non-executive directors listed in Paragraph 1 of Article 18 of the Measures for the Administration of Independent Directors of Listed Companies;
- (IV) Major matters, methods and results of communication with the internal audit institution and the accounting firm undertaking the audit business of the Company on the financial and business status of the Company;
- (V) Communication with minority shareholders;
- (VI) The time and content of the work on the site of the Company;
- (VII) other circumstances in the performance of duties.

The annual work report shall be disclosed at the latest when the Company issues the notice of the annual general meeting of shareholders.

Article 30 An independent non-executive director shall continue to strengthen the study of securities laws, regulations and rules, and continuously improve his ability to perform his duties. China Securities Regulatory Commission, the stock exchange where the company's shares are listed and the China Association of Listed Companies may provide relevant training services.

Article 31 An independent non-executive director shall perform his duties as a director in accordance with the law, fully understand the operation of the Company and the agenda of the Board, safeguard the interests of the Company and all shareholders, and pay special attention to the protection of the legitimate rights and interests of minority shareholders.

In the event of any conflict between shareholders or directors of the Company, which has a significant impact on the operation and management of the Company, the independent non-executive directors shall actively perform their duties and safeguard the overall interests of the Company.

The Shenzhen Stock Exchange encourages the independent non-executive directors to publish their mailing addresses or e-mail addresses to communicate with investors, receive inquiries and complaints from investors, take the initiative to investigate the damage to the legitimate rights and interests of the Company and small and medium investors, and timely reply to investors with the investigation results.

Article 32 In case of any of the following circumstances, an independent non-executive director shall report to Shenzhen Stock Exchange in a timely manner:

- (I) The employee is removed from office by the Company, and in his/her opinion, the reason for the removal is improper;
- (II) The resignation of an independent non-executive director due to the existence of circumstances that hinder the independent non-executive director from exercising his powers in accordance with the law;
- (III) The materials of the meeting of the Board are incomplete or the argumentation is insufficient, and the written request of two or more independent non-executive directors to postpone the meeting of the Board or the proposal to postpone the consideration of relevant matters is not adopted;
- (IV) The Board fails to take effective measures after reporting the suspected violations of laws and regulations of the Company or its directors, supervisors and senior managers to the Board;
- (V) Other circumstances that seriously hinder the independent non-executive directors from performing their duties.

Chapter 5 Obligations of Independent Non-executive Directors

~~Article 19~~ Independent non-executive directors shall bear the obligations of good faith and diligence towards the Company and all the shareholders. Independent non-executive directors shall perform their duties in accordance with the requirements of applicable laws, regulations and the Articles of Association, understand and keep track of the production, operation and management of the Company, give full play to their role in investor relations management, and safeguard the interests of the Company, in particular, safeguard the legitimate rights and interests of minority shareholders from harm; independent non-executive directors shall perform their duties independently without being affected by the Company's majority shareholders, actual controllers or other entities or individuals who have interests in the Company.

If an independent non-executive director finds that any matter under deliberation may affect their independence, he or she shall inform the Company thereof and withdraw from voting on such matter. If something materially affecting his or her independence occurs during his or her term of office, he or she shall notify the Company in a timely manner and resign if necessary.

Independent non-executive directors shall provide in due course a written confirmation on their independence in respect of the factors set out in Article 4 Rule 3.13 of the Listing Rules and shall inform The Stock Exchange of Hong Kong Limited as soon as practicable if there is any change in circumstances that may affect their independence after such written confirmation has been made.

~~Article 20~~ Independent non-executive directors shall ensure that they have sufficient time and energy to effectively perform their duties. Independent non-executive directors shall attend meetings of the board of directors on time, learn about the production, operation and management of the Company, and take the initiative to investigate and obtain information and data necessary for making decisions. Independent non-executive directors shall attend at least one meeting with the chairman of the board of directors of the Company without the presence of other directors each year. Independent non-executive directors shall submit an annual work report to the general meeting of the Company to recount the performance of their duties.

~~Article 21~~ In addition to attending meetings of the board of directors, independent non-executive directors shall set a reasonable schedule for visits on site to inspect the production, operation, the establishment and implementation of management and internal control systems of the Company as well as the implementation of resolutions of the board of directors. If any irregularity is found during the on-site inspection, independent non-executive directors shall report the irregularity to the board of directors and relevant stock exchanges in a timely manner.

~~Article 22~~ Each independent non-executive director shall submit a work report to each annual general meeting. Such report shall contain the following:

- ~~(I) Methods and number of his or her attendance at meetings of the board of directors throughout the year and his or her voting at the meetings, and number of his or her attendance at general meetings as a non-voting attendee;~~
- ~~(II) Independent opinions he or she has issued;~~
- ~~(III) On-site inspections he or she has conducted;~~
- ~~(IV) Proposals he or she has made for holding of meetings of the board of directors, engagement or dismissal of accounting firms and independent engagement of external auditing or advisory firms;~~
- ~~(V) Other work he or she has done to protect legitimate rights and interests of minority shareholders.~~

~~Article 23~~ Independent non-executive directors may concurrently serve as independent non-executive directors in up to five listed companies and shall ensure that they have sufficient time and energy to effectively perform their duties as independent non-executive directors of the Company.

Chapter 56 Guarantee of Performance **Working Conditions of Independent Non-executive Directors**

~~Article 3324~~ The Company shall provide necessary working conditions and personnel support for the independent non-executive directors to perform their duties, and appoint the securities affairs department, the secretary of the Board and other special departments and special personnel to assist the independent non-executive directors to perform their duties. ~~The Company shall ensure that independent non-executive directors rank pare passu with other directors in respect of access to information. For any material matter subject to the approval of the board of directors, the Company shall give prior notice and sufficient details about such matter to independent non-executive directors within the statutory time limit. If independent non-executive directors consider such information insufficient, they may request additional information. If two or more independent non-executive directors are of the view that any information is insufficient or any evidence unclear, they may submit written request to the board of directors for postponement of the relevant meeting of the board of directors or the deliberation of the relevant matter, and the board of directors shall accept such request.~~

The secretary of the Board shall ensure the smooth flow of information between the independent non-executive directors and other directors, senior managers and other relevant personnel, and ensure that the independent non-executive directors can obtain sufficient resources and necessary professional advice when performing their duties.

Article 34 The Company shall ensure that the independent non-executive directors enjoy the same right to know as other directors. In order to ensure that the independent non-executive directors effectively exercise their powers, the Company shall regularly report the operation of the Company to the independent non-executive directors, provide information, and organize or cooperate with the independent non-executive directors to carry out field visits and other work.

The Company may organize independent non-executive directors to participate in research and demonstration, fully listen to the opinions of independent non-executive directors, and timely feedback the adoption of opinions to independent non-executive directors before the Board deliberates on major and complex matters.

Article 35 The Company shall send out the notice of the meeting of the Board to the independent non-executive directors in a timely manner, and provide relevant meeting materials to the independent non-executive directors no later than the notice period stipulated by laws, administrative regulations, the CSRC, the listing rules of the stock exchange where the shares of the Company are listed or the Articles of Association, and provide an effective communication channel for independent non-executive directors; Where a special committee of the Board convenes a meeting, the Company shall, in principle, provide relevant materials and information no later than three days before the meeting of the special committee. The Company shall keep the aforesaid meeting materials for at least ten years.

If two or more independent non-executive directors consider that the meeting materials are incomplete, insufficiently demonstrated or not provided in a timely manner, they may propose in writing to the Board to postpone the convening of the meeting or postpone the consideration of the matter, which shall be adopted by the Board.

~~Article 25~~ The secretary to the board of directors shall assist independent non-executive directors by introducing background information and providing relevant materials, among others.

~~Article 26~~ The relevant personnel of the Company shall cooperate with independent non-executive directors in performing their duties. They shall not refuse, interfere with or withhold any information for the performance of the duties of independent non-executive directors.

Article 36~~27~~ Where an independent non-executive director exercises his powers, the directors, senior managers and other relevant personnel of the Company shall cooperate with him, and shall not refuse, hinder or conceal relevant information, nor interfere with his independent exercise of his powers.~~The reasonable expenses for independent non-executive directors to engage an intermediary institution and other reasonable expenses incurred during their performance of duties shall be borne by the Company.~~

Where an independent non-executive director encounters any obstacle in exercising his powers according to law, he may explain the situation to the Board, require the directors, senior managers and other relevant personnel to cooperate, and record the specific situation of the obstacle and the solution status in the work record; if the obstacle still cannot be eliminated, he may report to the CSRC and the Shenzhen Stock Exchange.

Where the performance of duties of an independent non-executive director involves disclosable information, the Company shall make disclosure in a timely manner; where the Company does not make disclosure, the independent non-executive director may directly apply for disclosure, or report to the CSRC and the Shenzhen Stock Exchange.

Article 37 The Company shall bear the expenses necessary for the independent non-executive directors to engage professional institutions and exercise other powers.

Article 28–38 The Company shall give appropriate allowances to the independent non-executive directors. The allowances for independent non-executive directors shall be proposed by the ~~board~~Board of directors (after being proposed by the appropriate committees), deliberated and approved by the general meeting, ~~paid by the Company~~ and disclosed in the annual report of the Company. Except for the allowance, independent non-executive directors shall not receive other interests from the Company or its majority shareholders or other interested entities actual controllers or interested entities and personnel and ~~individuals any additional and non-disclosed benefits~~.

Chapter 7–6 Supplementary Provisions

Article 329 The Company may, where necessary, maintain an insurance policy against the liability of independent non-executive directors to reduce risks arising from their proper performance of duties.

Article 430 These Rules shall be implemented as of the date when these Rules are approved at a general meeting of the Company. If these Rules are to be amended, the ~~board~~Board of directors shall propose amendment to the general meeting for deliberation and approval, and the amendment shall take effect upon approval at the general meeting.

Article 431 Any matters not covered herein shall be subject to the Company Law, the Articles of Association and applicable laws, administrative regulations, ministerial rules the CSRC and the listing rules of the stock exchanges where shares in the Company are listed.

Where these Rules are in conflict with applicable national laws, administrative regulations, ministerial rules, the CSRC, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association, such applicable national laws, administrative regulations, ministerial rules, the CSRC, the listing rules and the Articles of Association shall prevail.

Article 432 The term “at least” or “within” as used in these Rules shall include the given figure; the term “over”, “less than” or “more than” shall exclude the given figure.

Article ~~4~~**33** These Rules shall be interpreted by the ~~board~~Board of directors.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

PHARMARON BEIJING CO., LTD.

Related Party/Connected Transactions Management Policy

Chapter 1 General Provisions

Article 1 In accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), Securities Law of the People’s Republic of China (the “**Securities Law**”), listing rules of the stock exchange(s) where the Company’s shares are listed (including but not limited to the Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**H Share Listing Rules**”)) and other relevant laws, regulations and normative documents, the policy is hereby formulated in order to regulate the management of related/connected transactions of Pharmaron Beijing Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”), guarantee that the related/connected transactions between the Company and related parties/connected persons comply with the principles of fairness, justice and fairness, and ensure that the related/connected transactions of the Company do not harm the interests of the Company, all shareholders and creditors, especially the legitimate interests of minority shareholders.

Article 2 Related transaction of the Company refers to the identified transfer of resources or obligations or any other transaction between the Company or its controlling subsidiaries and the related persons in accordance with the Company Law, Securities Law and related laws and regulations and normative documents as well as relevant listing rules of the Shenzhen Stock Exchange (“**SZSE**”) (hereinafter collectively referred to as the “**A Share Listing Rules**”).

Connected transactions of the Company refers to transactions between a listed company or its subsidiaries and connected persons (as defined in the H Share Listing Rules) as determined under Chapter 14A of the H Share Listing Rules, and specific types of transactions with third parties.

The Company shall give priority to adopting more stringent standards for the related/connected transactions to which the A Share Listing Rules and the H Share Listing Rules both apply and shall fulfill corresponding procedures such as approval, filing, avoidance and information disclosure in accordance with the requirements of applicable laws, regulations, normative documents or the listing rules of the stock exchange where the Company’s shares are listed.

Article 3 The policy is applicable to the Company and its branches and wholly-owned or controlling subsidiaries and other affiliated enterprises.

Article 4 Related/connected transactions of the Company shall follow the following basic principles:

- (I) Equality, voluntariness, equivalence and compensation;
- (II) Justice, impartiality and fairness;
- (III) If the related parties/connected persons enjoy voting rights at the general meeting, they shall avoid voting on related/connected transactions except under special circumstances;
- (IV) The director who has any interest with the related party/connected person shall withdraw from voting on the related/connected transaction by the board of directors (the “Board”);
- (V) The Board of the Company shall judge whether the related/connected transaction is beneficial to the Company according to objective criteria, and shall engage a professional evaluation agency or independent financial advisor to express opinions when necessary. The Board of the Company shall stipulate that the audit committee under it shall perform the duties of controlling and daily management of the related/connected transactions of the Company;
- (VI) Related transactions that should be disclosed must be approved by a simple majority of all independent non-executive directors.~~Independent non-executive directors shall explicitly express their independent opinions on related/connected transactions as required by laws, regulations, normative documents, the Articles of Association and the policy.~~

**Chapter 2 Related Persons and Related Party Transactions Subject
to the A Share Listing Rules**

Section 1 Related Persons and Scope of Related Transactions

Article 5 Related persons of the Company include related legal persons and related natural persons.

Article 6 A legal person or any other organization under any of the following circumstances shall be a related legal person of the Company:

- (I) A legal person or any other organization that directly or indirectly controls the Company;
- (II) Legal persons or other organizations other than the Company and its controlling subsidiaries directly or indirectly controlled by the entities listed in clause (I) above;

- (III) Legal persons or other organizations other than the Company and its controlling subsidiaries that are directly or indirectly controlled by the related natural persons listed in Article 8, or where the related natural persons act as directors (except independent non-executive directors) or senior management officers;
- (IV) Legal persons or other organizations holding more than 5% of the shares of the Company;
- (V) Other legal persons or other organizations identified by the China Securities Regulatory Commission (the “CSRC”), SZSE or the Company according to the principle of substance over form that have a special relationship with the Company, which may cause the interests of the Company to be inclined to them.

Article 7 Where the Company and the entity listed in clause (II) of the preceding Article are controlled by the same state-owned assets administration, no relationship shall be formed as a result thereof, except that the chairman of the Board, general manager or more than half of the directors of the entity concurrently serve as the directors, supervisors or senior management of the Company.

Article 8 A natural person shall be a related natural person of the Company under any of the following circumstances:

- (I) Natural person shareholders who directly or indirectly hold more than 5% of the shares of the Company;
- (II) Directors, supervisors and senior management of the Company;
- (III) Directors, supervisors and senior management of the related legal persons listed in clause (I) of Article 6;
- (IV) Close family members of the persons mentioned in clauses (I) to (III) of this Article, including the spouse, parents and parents of the spouse, brothers and sisters and their spouses, children over the age of 18 and their spouses, brothers and sisters of the spouse and parents of the spouses of the children;
- (V) Other natural persons identified by the CSRC, SZSE or the Company according to the principle of substance over form that have a special relationship with the Company, which may cause the interests of the Company to be inclined to them.

Article 9 A legal person, other organization or natural person under any of the following circumstances shall be regarded as a related person of the Company:

- (I) In accordance with the agreement signed or arrangement made with the Company or its related persons, after the agreement or arrangement takes effect, or within the next twelve months, one of the circumstances specified in Article 6 or Article 8 will occur;
- (II) Under any of the circumstances specified in Article 6 or Article 8 within the past twelve months.

Article 10 Related transactions of the Company refers to the matters which may result in the transfer of resources or obligations between the Company or its controlling subsidiaries and the related persons, including:

- (I) Purchase or disposal of assets;
- (II) External investment (including consigned financial management, investment in subsidiaries, etc., excluding establishment or capital increase of wholly-owned subsidiaries);
- (III) Providing financial aids (including consigned loans);
- (IV) Providing guarantees (referring to guarantees provided by the Company to others, including guarantees to controlling subsidiaries);
- (V) Leasing in or leasing out of assets;
- (VI) Signing management contracts (including consigned operation, entrusted operation, etc.);
- (VII) Granting or donated assets;
- (VIII) Creditor's rights and debt restructuring; (IX) Signing a license agreement;
- (X) Transfer of research and development projects;
- (XI) Waiver of rights (including waiver of preemptive rights, priority to subscribe for capital contribution, etc.);
- (XII) Purchase of raw materials, fuels and power;
- (XIII) Selling products and commodities;

- (XIV) Providing or accepting labor services;
- (XV) Entrusting or entrusted sales;
- (XVI) Joint investment by related parties;
- (XVII) Other matters identified by the listing rules of the SZSE that may result in the transfer of resources or obligations through an agreement.

The following activities of the Company are not subject to the provisions of the preceding paragraph:

- (I) Purchase of raw materials, fuels and power related to daily operations (excluding the purchase and disposal of such assets involved in asset replacement);
- (II) Disposal of products, commodities and other assets related to daily operations (excluding the purchase and disposal of such assets involved in asset replacement);
- (III) Main business activities of the Company, although the transactions stipulated in the preceding paragraph are carried out.

Section 2 Reporting of Related Persons

Article 11 The directors, supervisors, senior management officers, shareholders holding more than 5% of shares of the Company, de facto controllers and persons acting in concert shall inform the Company of their relationships with the Company in a timely manner.

Article 12 The audit committee of the Company shall confirm the list of related persons of the Company and report to the Board and supervisory committee in a timely manner.

Article 13 The Company shall promptly complete or update the list of related persons of the listed company and information on relationships via SZSE Website Business Management System.

Section 3 Approval Authority and Decision-making Procedure for Related Transactions

Article 14 The general manager shall submit proposals to the Board for related transactions (excluding the provision of guarantee and financial aid) between the Company and related natural persons with the transaction amount exceeding RMB300,000, related transactions between the Company and related legal persons with a transaction amount exceeding RMB3 million and accounting for more than 0.5% of the absolute value of the Company's latest audited net asset value (excluding the provision of guarantee). Those meeting the consideration and approval standards of the general meeting shall also be submitted to the general meeting for consideration and approval.

Article 15 Related transactions between the Company and related persons with a transaction (excluding the provision of guarantee) amount exceeding RMB30 million and accounting for more than 5% of the absolute value of the latest audited net assets of the Company, shall be submitted by the Board to the general meeting, which shall come into force upon consideration and approval by the general meeting.

The following transactions between the Company and related persons may be exempted from being submitted to the general meeting for consideration and approval:

- (I) The Company participates in a public bidding or public auction for non-specific objects (excluding limited means such as an invitation to bid);
- (II) Transactions in which the Company obtains benefits unilaterally, including receiving cash assets, obtaining a debt relief, accepting guarantees and aids, etc.;
- (III) The pricing of related transactions is stipulated by the State;
- (IV) The related person provides funds to the Company, and the interest rate shall not be higher than the loan interest rate standard for the same period as stipulated by the People's Bank of China;
- (V) The Company provides products and services to directors, supervisors and senior management officers under the same transaction conditions as non-related persons.

Article 16 The guarantee provided by the Company for related persons, regardless of the amount, shall be submitted to the general meeting for consideration and approval after being considered and approved by the Board. Where the Company provides guarantees for the controlling shareholder, de facto controller and its related parties, the controlling shareholder, de facto controller and its related parties shall provide counter guarantees.

The Company shall not provide financial aids such as funds for directors, supervisors, senior management officers, controlling shareholders, de facto controllers and their controlling subsidiaries and other related persons. The Company shall prudently provide financial aids or entrusted wealth management to related persons.

Article 17 Where a related transaction involves such matters as “providing financial aids”, “providing guarantees” and “entrusted wealth management”, the amount incurred shall be taken as the calculation standard for disclosure and shall be cumulatively calculated within 12 consecutive months according to the transaction category. If the accumulated amount reaches the standards specified in Article 18, Article 19 or Article 20, the provisions of the preceding Articles shall apply respectively. If the relevant obligations have been fulfilled in accordance with Article 18, Article 19 or Article 20, they shall not be included in the relevant accumulative calculation scope.

Article 18 Where the Company conducts the following related transactions, the amount of related transactions shall be calculated according to the principle of accumulative calculation within 12 consecutive months:

- (I) Transactions with the same related person;
- (II) Transactions related to the types of objects of transactions with different related persons.

The above-mentioned same related person includes other related persons controlled by the same entity or having equity control relationship with each other. Those who have performed relevant obligations in accordance with Article 18, Article 19 or Article 20 shall not be included in the relevant accumulative calculation scope.

Article 19 Where there are special provisions on the authorities and procedures for examination and approval of matters involved in related transactions in accordance with laws, administrative regulations, departmental rules, listing rules of the SZSE and articles of association, such provisions shall prevail.

Article 20 Related transactions identified according to the listing rules of the SZSE and which need to be submitted to the general meeting for consideration and approval shall be submitted to the Board for discussion after being approved by independent non-executive directors. Before making a judgment, independent non-executive directors may engage an intermediary institution to issue an independent financial consultant report as the basis for the judgment. The Audit Committee of the Company shall examine the related transactions at the same time, form written opinions, submit them to the Board for consideration and approval, and at the same time to the supervisory committee for comments.

Section 4 Avoidance System of Related Transactions

Article 21 When the Board considers and approves related transactions, the related directors shall avoid voting and shall not exercise voting rights on behalf of other directors. The board meeting may be held with the attendance of more than half of the non-related directors, and the resolution made at the board meeting shall be approved by more than half of the non-related directors. Where there are less than three non-related directors present at the Board, the Company shall submit the transaction to the general meeting for consideration and approval.

Related directors include the following directors or directors with one of the following circumstances:

1. A counterparty;
2. A director serving in the counterparty, or serving in a legal entity that directly or indirectly controls the counterparty or a legal entity directly or indirectly controlled by the counterparty;
3. Directly or indirectly controls the counterparty;
4. A family member who is closely related to the counterparty or its direct or indirect controller (see clause (IV) of Article 8 of the system for details);
5. A family member who is closely related to the director, supervisor and senior management officers of the counterparty or its direct or indirect controller (see clause (IV) of Article 8 of the system for details);
6. A person whose independent business judgment may be affected for any other reason as identified by the CSRC, SZSE or the Company.

Article 22 When the Company's general meeting considers and approves related transactions, related shareholders shall avoid voting, and the number of voting shares they represent shall not be included in the total number of voting shares. The announcement of the resolution of the general meeting shall fully disclose the voting conditions of non-related shareholders.

Related shareholders include the following shareholders or shareholders in any of the following circumstances:

1. A counterparty;
2. Directly or indirectly controls the counterparty;
3. Directly or indirectly controlled by the counterparty;
4. Directly or indirectly controlled by the same legal person or natural person with the counterparty;
5. A family member who is closely related to the counterparty or its direct or indirect controller (see clause (IV) of Article 8 of the system for details);

6. Serves in the counterparty, or serves in a legal entity that directly or indirectly controls the counterparty or a legal entity directly or indirectly controlled by the counterparty (in case of natural person shareholder);
7. Has its voting rights restricted or affected by the existence of an unfulfilled equity transfer agreement or other agreement with the counterparty or its related persons;
8. Legal person or natural person identified by CSRC, SZSE, which may cause the Company to tilt interests towards them.

Article 23 The withdrawal and voting procedures of related directors are as follows:

- (I) Related directors shall apply for withdrawal on their own initiative, otherwise other directors shall have the right to ask them to withdraw;
- (II) In case of any dispute over whether the director is a related director or not, a majority vote of the interim meeting of the Board shall pass a resolution to decide whether the director is a related director or not, and decide whether he/she shall be withdrawn;
- (III) When the Board votes on related transactions, after deducting the voting rights represented by related directors, the non-related directors present at the Board shall vote in accordance with the articles of association and the rules of procedure of the Board.

Article 24 The procedures for withdrawal and voting of related shareholders are as follows:

- (I) Related shareholders shall take the initiative to apply for withdrawal, otherwise other shareholders shall have the right to apply for withdrawal of the related shareholders to the general meeting;
- (II) In case of any dispute over whether the shareholder is a related shareholder or not, half of all the directors in the interim meeting of the Board shall pass a resolution to decide whether the shareholder is a related shareholder or not, and decide whether he/she shall be withdrawn, which shall be final;
- (III) When the general meeting votes on related transactions, after deducting the number of voting shares represented by the related shareholders, the non-related shareholders present at the general meeting shall vote in accordance with the articles of association and the rules of procedure of the general meeting.

Section 5 Daily Related Transactions

Article 25 Where the Company and related persons conduct daily connected transactions, the Company shall disclose and perform the corresponding consideration and approval procedures according to the following provisions:

- (I) The Company may reasonably estimate the annual amount of daily related party transactions by category, and perform and disclose the consideration and approval procedures. When the actual amount exceeds the estimated amount, the Company shall re-perform the relevant consideration and approval procedures and disclosure obligations based on the excess amount;
- (II) The Company shall disclose the daily related transactions in its annual reports and interim reports by category;
- (III) Where the term of the daily related transaction agreement entered into between the Company and its related parties exceeds three years, the relevant consideration and approval procedures and disclosure obligations shall be re-performed every three years.

Article 26 The daily related transaction agreement shall at least include the main clauses such as the transaction price, pricing principles and basis, total transaction amount or determination method of the total transaction amount, payment method, etc.

Section 6 Disclosure of Related Transactions

Article 27 The announcement disclosed by the Company regarding the related transactions according to the A Share Listing Rules shall include the followings:

- (I) Overview of related party transactions;
- (II) Basic information of related party;
- (III) Basic information of the subjects of related party transactions;
- (IV) Pricing policy and basis of pricing for the related party transactions;
- (V) Main contents of the transaction agreement;
- (VI) Other arrangements in connection with the related transactions;
- (VII) The purpose of the transaction and its impact on the listed company;

- (VIII) Total amount of various related transactions with the related person cumulatively from the beginning of the current year to the disclosure date;
- (IX) ~~The opinion of approval by a simple majority of~~ Prior consent and independent opinions from independent non-executive Directors ~~Directors~~;
- (X) Opinions and conclusions of intermediaries (if applicable);
- (XI) Other content, in the view of the SZSE or the Board of the Company, are helpful to explain the essence of the related party transactions.

Article 28 When the Company and related persons conclude the following related transactions, it may be exempted from consideration and approval and disclosure in a way of related transactions:

- (I) Either party subscribes in cash for shares, corporate bonds or enterprise bonds, convertible corporate bonds or other derivatives publicly issued by the other party;
- (II) Either party receives dividends, bonuses or remuneration in accordance with the resolution of the other party's general meeting;
- (III) Either party, as a member of the underwriting syndicate, underwrites the stocks, corporate bonds or enterprise bonds, convertible corporate bonds or other derivatives publicly issued by the other party;
- (IV) Other circumstances recognized by the SZSE where the shares are listed.

Chapter 3 Connected Persons and Connected Transactions Subject to the H Share Listing Rules

Section 1 Scope of Connected Persons

Article 29 In accordance with the H Share Listing Rules, a **connected person** of the Company and its subsidiaries generally includes the following parties unless otherwise specified therein:

- (I) A director, supervisor, chief executive or major shareholder of the Company or any of its subsidiaries (as defined in the H Share Listing Rules) (i.e., person entitled to exercise or control the exercise of 10% or more of the voting rights at the general meetings of the Company);
- (II) Any person who has served as a director of the Company or any of its subsidiaries within the past 12 months (together with persons referred to in clause (I) of this Article as the "**Basic Connected Person**");

(III) An associate of any Basic Connected Person, including:

1. If the Basic Connected Person is an individual:
 - (1) His/her spouse, and any child or step-child (natural or adopted) of the individual or his/her spouse under the age of 18 years (the “**Immediate Family Member**”);
 - (2) The trustees, acting in their capacity as trustees of any trust of which the individual or his/her immediate family member is a beneficiary or, in the case of a discretionary trust, is (to his/her knowledge) a discretionary object of the trust;
 - (3) A 30%-controlled company held (as defined in the H Share Listing Rules), directly or indirectly, by the Basic Connected Person, his/her immediate family members and/or the trustees (individually or together), or any of its subsidiaries;
 - (4) Any person cohabiting with him/her as a spouse, or his/her child, step-child, parent, step-parent, brother, step-brother, sister or step-sister (a “**Family Member**”); or a majority-controlled company held, directly or indirectly, by the family members (individually or together), or held by the family members together with the individual, his/her immediate family members and/or the trustees, or any of its subsidiaries; and
 - (5) If the Basic Connected Person, their Immediate Family Member and/or the trustee jointly hold, directly or indirectly, the paid-up capital or assets of any cooperative or contractual joint venture company (whether or not the joint venture company is an independent corporation) or have an interest of 30% or more of the profit or other income of the joint venture company under the contract (or as applicable under Chinese law in relation to triggering a mandatory public offer or establishing other percentages of legal or managerial control over the enterprise), the joint venture partner of the joint venture company shall be an associate of such a Basic Connected Person.
2. If the Basic Connected Person is a company (i.e. the major corporate shareholder):
 - (1) A subsidiary of a major corporate shareholder, a controlling company or a fellow subsidiary of the controlling company (the “**Related Company**”);

- (2) The trustees, acting in their capacity as trustees of any trust of which the major corporate shareholder is a beneficiary or, in the case of a discretionary trust, is (to the major corporate shareholder's knowledge) a discretionary object of the trust;
 - (3) A 30%-controlled company held directly or indirectly by the major corporate shareholder, their Related Company and/or the trustee (individually or jointly), or any subsidiaries of the company; and
 - (4) If the major corporate shareholder, their Related Company and/or the trustee jointly hold, directly or indirectly, the paid-up capital or assets of any cooperative or contractual joint venture company (whether or not the joint venture company is an independent corporation) or have an interest of 30% or more of the profit or other income of the joint venture company under the contract (or as applicable under Chinese law in relation to triggering a mandatory public offer or establishing other percentages of legal or managerial control over the enterprise), the joint venture partner of the joint venture company shall be the contact person of such a Basic Connected Person.
- (IV) Related subsidiary refers to a non-wholly-owned subsidiary of the Company, where any connected persons at the corporate level have the right to exercise or control the exercise of 10% or more of the voting rights individually or jointly at the general meeting of the non-wholly-owned subsidiary, and the subsidiaries of the non-wholly-owned subsidiary;
- (V) Other connected persons as required from time to time by the H Share Listing Rules or recognized by the Listing Rules of the Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"). For details, please refer to Rules 19 to 22 of Chapter 14A of the H Share Listing Rules.

Article 30 The definition of a connected person does not include a director, chief executive, major shareholder or supervisor of an insignificant subsidiary of a company. For this purpose: an "**insignificant subsidiary**" refers to a subsidiary whose total assets, profits and revenue compared to that of the Group are less than: (I) 10% under the percentage ratios for each of the latest three financial years (or if less, the period since the incorporation or establishment of the subsidiary); or (II) 5% under the percentage ratios for the latest financial year. If the person is connected with two or more subsidiaries of the Company, the Hong Kong Stock Exchange will aggregate the subsidiaries' total assets, profits and revenue to determine whether they are together "insignificant subsidiaries" of the Company.

Also, in case of the following circumstances, a subsidiary of the Company shall not be a connected person: (I) a subsidiary directly or indirectly wholly-owned by the Company; or (II) a subsidiary which is a connected person only because it is a major shareholder of another subsidiary of the Company or an associate of the director (or a person who served as a director in the past 12 months), chief executive, major shareholder or supervisor of any subsidiary of the Company.

Section 2 Reporting of Connected Persons

Article 31 The securities division of the Company shall formulate and update the format of the connected person reporting form from time to time as necessary, send and collect the form regularly, and urge the connected person to report relevant information to the securities division of the Company immediately after he/she takes office or becomes the major shareholder of the Company.

Article 32 The Company shall distinguish the types of connected transactions according to the testing methods specified in the H Share Listing Rules, and shall comply with (or be exempted from) the requirements for reporting, announcement and approval by independent shareholders when signing an agreement.

Section 3 Scope of Connected Transactions

Article 33 For the purpose of the H Share Listing Rules, **connected transactions** refer to any transactions with a connected person between a company or its subsidiaries. “Transactions” include both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the Company, such transactions may be one-off transactions or ongoing transactions. These include the following types of transactions:

- (I) any acquisition or disposal of assets by the listed issuer, including a deemed disposal;
- (II) (a) the listed issuer’s group granting, accepting, exercising, transferring or terminating an option to acquire or dispose of assets or to subscribe for securities; or

(b) the listed issuer’s group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;
- (III) entering into or terminating finance leases or operating leases or sub-leases;
- (IV) granting an indemnity or providing or receiving financial assistance. “Financial Assistance” includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan;

- (V) entering into an agreement or arrangement to set up a joint venture in any form (e.g a partnership or a company), or any other form of joint arrangement;
- (VI) issuing new securities of the listed issuer or its subsidiaries, including underwriting or sub-underwriting of securities offerings;
- (VII) providing, receiving or sharing services; or
- (VIII) acquiring or providing raw materials, intermediate products and/or finished goods.

The Company must enter into a written agreement for each connected transaction, including an exempted connected transaction.

Article 34 In addition, Financial Assistance provided by the Group to, or received by the Group from, a commonly held entity is a connected transaction. To this end, the “**Commonly Held Entity**” refers to a company whose shareholders include: (I) a member of the Group; and (II) any connected person(s) at the issuer level who, individually or together, can exercise or control the exercise of 10% or more of the voting power at the company’s general meeting. This 10% excludes any indirect interest held by the person(s) through the Company.

Article 35 The Group acquiring an interest in a company (the “**target company**”) from a third party who is not a connected person is a connected transaction if the target company’s major shareholder is, or is proposed to be, a controller (i.e a director, chief executive or controlling shareholder of the Company); or is, or will, as a result of the transaction, become, an associate of a controller or proposed controller.

Article 36 If the connected transaction also constitutes a notifiable transaction, the Company must also comply with the requirements on notifiable transactions under Charter 14 of the H Share Listing Rules.

Article 37 According to the H Share Listing Rules, the transactions between the listed group and its connected persons shall include (I) fully exempt, (II) partly exempt and (III) non-exempt connected transaction, as defined under the provisions of below Article 38 to Article 42. Partly exempt connected transactions and non-exempt connected transaction are collectively referred to non-exempt connected transaction.

Article 38 The relevant percentage ratios for fully exempt, partly exempt and non-exempt connected transaction are calculated as follows:

- (I) the asset ratio refers to total assets involved in the relevant transaction divided by total assets of the Company;
- (II) the profit ratio refers to the profit attributable to the assets involved in the transaction divided by profit of the Company;

- (III) the income ratio refers to the income attributable to the assets involved in the transaction divided by income of the Company;
- (IV) the consideration ratio refers to the consideration divided by total capitalization of the Company. Total capitalization was calculated by average closing price of securities of the Company for five trading days prior to the relevant transaction date as quoted in daily quotation sheets in the Hong Kong Stock Exchange; and
- (V) the equity ratio refers to the number of shares issued by the Company as consideration divided by the total number of shares of the Company in issue prior to the relevant transaction.

Article 39 The relevant percentage ratios are calculated applying the following principles:

The Hong Kong Stock Exchange will aggregate a series of connected transactions and treat them as if they were one transaction if they were all entered into or completed within a twelve-month period or are otherwise related. The Company must comply with the connected transaction requirements based on the classification of the connected transactions when aggregated. The aggregation period will cover 24 months if the connected transactions are a series of acquisitions of assets being aggregated which may constitute a reverse takeover.

Factors that the Hong Kong Stock Exchange will consider for aggregation of a series of connected transactions include whether:

- (I) they are entered into by the Group with the same party, or parties who are connected with one another;
- (II) they involve the acquisition or disposal of parts of one asset, or securities or interests in a company (or group of companies); or
- (III) they together lead to major involvement by the Group in a new business activity.

In terms of continuing connected transactions, the Company shall use the cap as the numerator for the calculation of the asset ratio, income ratio and consideration ratio. If the term of relevant transactions is agreed more than one year, the transactions shall be classified based on the maximum cap in the term of the agreement.

Article 40 The following connected transactions are fully exempted connected transactions:

- (I) New securities issued by the Company or its subsidiaries;
- (II) Dealing in securities on stock exchanges;
- (III) Repurchase of the securities of the Company or its subsidiaries;
- (IV) Directors' service contracts and insurance-the service contracts entered into between the directors and the Group shall be fully exempted. In addition, purchase and maintenance of insurance for a director of the Group against liabilities to third parties that may be incurred in the course of performing his/her duties are fully exempt if it is in the form permitted under the laws of Hong Kong and where the company purchasing the insurance is incorporated outside Hong Kong, the laws of the company's place of incorporation.
- (V) Buying consumer goods or services as a customer from, or selling consumer goods or services to, a connected person on normal commercial terms or better in the ordinary and usual course of business for own use purpose;
- (VI) Shared administrative management services;
- (VII) Transactions with the contact persons of passive investors;
- (VIII) Transactions with connected persons at the subsidiary company level;
- (IX) Financial assistance that meets certain conditions.

The financial assistance provided by the Company or any member of the Group to connected persons or jointly held entities (as defined in the H Share Listing Rules) shall be fully exempted if meeting the following requirements, including:

- (1) The relevant financial assistance is provided in accordance with general commercial terms or better terms; and
- (2) The relevant financial assistance provided by the Company or any member of the Group is in proportion to the share capital interest directly held by the Company or its subsidiaries in the connected person or jointly held entity. Any security provided by the Company or a member of the Group shall be several (instead of joint and several).

Meanwhile, financial assistance received by the Company or a member of the Group from a connected person or jointly held entity shall be fully exempted if meeting the following requirements:

- (1) The relevant financial assistance is provided in accordance with general commercial terms or better terms; and
 - (2) The relevant financial assistance is not secured by the assets of the Company or a member of the Group.
- (X) The de minimis transaction (other than an issue of new securities by the Company to connected persons and applies to a connected transaction conducted on normal commercial terms or better) is fully exempt if all the percentage ratios (other than the profits ratio) as stipulated in Article 38 and Article 39 of the policy are: (1) less than 0.1%; (2) less than 1% and the transaction is a connected transaction only because it involves connected person(s) at the subsidiary level; or (3) less than 5% and the total consideration (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the connected person or commonly held entity) is less than HK\$3,000,000. This Article does not apply to an issue of new securities by the Company to connected persons. The transaction is exempt from the circular (including independent financial advice) and shareholders' approval requirements if all the percentage ratios (other than the profits ratio) are: (1) less than 5%; or (2) less than 25% and the total consideration (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the connected person or commonly held entity) is less than HK\$10,000,000.

Article 41 The following connected transactions are partly exempt connected transactions:

The transaction is partly exempt if all the percentage ratios as stipulated in Article 38 and Article 39 of the policy are:

- (I) On normal commercial terms or better, and each of the percentage ratios (other than the profits ratio) is less than 5%;
- (II) On normal commercial terms or better, and each of the percentage ratios (other than the profits ratio) is less than 25% and the total consideration (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the connected person or commonly held entity) is less than HK\$10,000,000;

(III) A connected transaction between the listed company or its subsidiary and a connected person at the subsidiary level is entered into on normal commercial terms or better if:

- (1) The Board of the listed company have approved the transactions; and
- (2) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the listed company and its shareholders as a whole.

Article 42 The non-exempt connected transactions refer to other connected transactions that are not fully exempt nor partly exempt:

Article 43 Continuing connected transactions are connected transactions involving the provision of goods or services or financial assistance, which are carried out on a continuing or recurring basis and are expected to extend over a period of time. They are usually transactions in the ordinary and usual course of business of the Group. In addition to determining whether the relevant transactions require reporting, announcement and shareholders' approval at the time of entering into the agreement, the Company needs to continuously monitor its implementation and whether the amount exceeds the pre-determined annual caps, and to re-comply with the relevant provisions of the H Share Listing Rules when there is a material change in the terms of the agreement, the annual caps were exceeded or when the agreement is renewed.

Article 44 A written agreement for a continuing connected transaction must contain the basis for calculating the payments to be made. Examples include sharing of costs incurred by the parties, unit prices for goods or services provided, annual rental for leasing a property, or management fees based on a percentage of the total construction cost, and must reflect normal commercial terms or better.

Article 45 The period for the agreement of continuing connected transaction must be fixed and must not exceed three years except as permitted under the H Share Listing Rules and in special circumstances where the nature of the transaction requires a longer period. In this case, the Company must appoint an independent financial adviser to explain why the agreement requires a longer period and to confirm that it is normal business practice for agreements of this type to be of such duration.

Article 46 The Company must set the highest annual amount (the “cap”) for each continuing connected transaction, and disclose the calculation basis and obtain shareholders' approval unless the relevant waivers described in Section IV below apply. The annual cap must be expressed in actual monetary terms rather than in a certain percentage ratio to the annual revenue of the Company. The Company shall set the annual cap by reference to previous transactions and figures in its published information. If there were no previous transactions, the

cap must be set based on reasonable assumptions, and the details of consumptions shall be disclosed as well. If the connected transaction exceeds the cap during the process or it is required to update the agreement or make major changes to its terms or renew the agreement upon the expiry of the agreement, the Company shall obtain approval again in accordance with the H Share Listing Rules and the policy and re-comply with the requirements of the H Share Listing Rules (such as the announcement and shareholder's approval requirements).

Article 47 The Company must engage its auditors to report on the continuing connected transaction every year. The auditors must provide a letter to the Company's Board confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions: (I) have not been approved by the Company's Board; (II) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; (III) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (IV) have exceeded the cap.

Section 4 Approval Authority and Decision-Making Procedure of Connected Transactions

Article 48 Fully exempt refers to the exemption from the reporting, announcement, circular to its shareholders, independent financial advice, independent shareholders' approval, and the annual review requirements, and there is no need to make disclosures nor to obtain the prior consent from the Board.

Article 49 Partly exempt refers to the exemption from the circular to its shareholders, independent financial advice and independent shareholders' approval requirements, and it only needs to disclose the relevant details in the announcement and in the next published annual report and obtain prior approval of the Board.

Article 50 Connected transactions for which there is no exemption must be disclosed and approved in advance by the board and the independent shareholders. The listed company shall establish an independent non-executive board committee and engage an independent financial adviser to advise the independent shareholders on the connected transaction; notify the shareholders in advance of the general meeting and include details of the connected transaction, the opinion of the independent financial adviser and the independent non-executive board committee on the connected transaction in such written notice and circular to the shareholders; and disclose the details of the connected transaction in the next published annual report.

Article 51 For non-exempt connected transaction, the listed company shall (I) establish an independent non-executive board committee; and (II) appoint an independent financial adviser. The independent non-executive board committee that consists of independent non-executive directors who do not have a material interest in relevant transactions must, taking into account the recommendation of an independent financial adviser, advise the Company's shareholders: (I) whether the terms of the connected transaction are fair and reasonable; (II) whether the connected transaction is on normal commercial terms or better and in the ordinary and usual course of business of the Group; (III) whether the connected transaction is in the interests of the Company and its shareholders as a whole; and (IV) how to vote on the connected transaction. If an independent non-executive board committee is formed, the circular must include a letter from the independent non-executive board committee containing its opinion and its recommendation. Meanwhile, the listed company must appoint an independent financial adviser acceptable to the Hong Kong Stock Exchange to make recommendations to the independent non-executive board committee and shareholders. The independent financial adviser will give its opinion based on the written agreement for the transaction. If all the independent non-executive directors have a material interest in the transaction, an independent non-executive board committee will not be formed.

Article 52 The non-exempt connected transaction must be conditional on shareholders' approval at a general meeting held by the Company. Any shareholder who has a material interest in the transaction must abstain from voting on the resolution. According to the Articles of Association, if any matter considered at the shareholders' general meeting is related to any shareholder, such shareholder shall disclose his/her connected relationship to the Company's board of directors prior to the convening of the meeting; when any related party transaction is being considered at the shareholders' general meeting, the chairman of the meeting shall announce the shareholders with connected relationships, and explain the related shareholders' relationships with the related party transactions. If the related shareholders raise an objection, the board of directors of the Company shall decide whether they should evade; in the event that the related shareholders have no objection or the related shareholders raise an objection, but the Board of the Company decides that it shall withdraw from voting, the chairman of the meeting declares the related shareholders shall evade, and non-related party shareholders shall consider and vote on the related party transactions; if related shareholders fail to evade in respect of the related party transactions in accordance with the above procedures, the resolutions concerning the related party transactions shall be null and void, and shall be subject to re-voting.

Article 53 The Hong Kong Stock Exchange may waive the general meeting requirement and accept a written shareholders' approval, subject to the conditions that: (I) no shareholder of the Company is required to abstain from voting if a general meeting is held to approve the transaction; and (II) the approval is given by a shareholder or a closely allied group of shareholders who (together) hold more than 50% of the voting rights in the general meeting.

Article 54 The Company's independent non-executive directors must review the continuing connected transactions every year and confirm in the annual report whether the transactions have been entered into: (I) in the ordinary and usual course of business of the Group; (II) on normal commercial terms or better; and (III) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

Article 55 Non-exempt one-off connected transactions shall be handled according to the following principles:

- (I) Shall first obtain the approval of the Board, and issue a public announcement on the Hong Kong Stock Exchange before the opening of the market on the first working day after the approval of the Board. The principles for handling the announcement are as follows: publish the announcement on the website of the Hong Kong Stock Exchange and disclose relevant information according to the requirements of the H Share Listing Rules after an agreement is made on transaction terms. The announcement shall clearly reflect: (1) whether the directors believe that the relevant transaction belongs to the transaction conducted according to the general commercial terms in the daily business of the Company; (2) opinions of independent non-executive directors; and (3) whether any directors have a material interest in the transaction and whether they have waived their voting rights at a meeting of the Board.

According to the Articles of Association, a director shall not be entitled to vote on any resolution of the Board in respect of any contract, transaction or arrangement in which he/she or any of his/her close associates as defined in the applicable listing rules in effect from time to time has any material interest or any other relevant proposals, nor shall such director be counted when the Company determines whether the quorum is reached.

- (II) After the Board of the Company approves and makes a public announcement, the independent financial advisor shall confirm that the connected transaction is fair, reasonable and in line with the interests of the Company and all shareholders, and submit the opinion to the independent non-executive director committee for review, and then the independent non-executive director committee shall convene a separate meeting to confirm that the connected transaction is fair and reasonable and conforms to the interests of the Company and all shareholders. The above opinion of the independent financial advisor and independent non-executive director committee shall be included in the circular to be issued to the shareholders.
- (III) Within 15 working days after the announcement is made, the expected final draft of the circular shall be submitted to the Hong Kong Stock Exchange for review, and then the circular conforming to the H Share Listing Rules confirmed by the Hong Kong Stock Exchange shall be sent to the shareholders, and the circular shall be

available in both Chinese and English versions. Any amendment or supplement to the circular and/or the provision of relevant information shall be sent to the shareholders not less than 10 working days before the general meeting is held.

- (IV) Submit connected transactions to the general meeting for consideration and approval. The connected transaction can be carried out only after the approval of the general meeting. At the general meeting, the connected persons with significant interests shall abstain from voting. A statement that connected persons with significant interests shall abstain from voting shall be included in the circular to be issued to shareholders. Approval by an “independent shareholder” shall be by ballot. Before the opening of the market on the first working day after the meeting, the Company shall publish a notice announcing the result of the poll.
- (V) Disclose in the first annual report and accounts after the connected transaction the date of the transaction, the parties to the transaction and their relationship with each other, the transaction and its purpose, consideration and terms, and the nature and extent of the interest held by the connected persons in the transaction.

Article 56 Non-exempt continuing connected transactions shall abide by the following handling principles:

- (I) Setting an annual cap for each connected transaction and disclosing the basis for the calculation of the cap.
- (II) A written agreement shall be signed with the connected persons for each connected transaction, and the content of the agreement shall reflect the general commercial terms and list the basis for calculating the payment amount. The agreement term shall be fixed and shall not exceed three years. If the agreement term shall exceed three years due to the nature of the transaction, the written confirmation opinion of the independent financial advisor shall be obtained, and the consideration and approval procedure shall be performed again according to the provisions of the system.
- (III) Reporting, announcement and approval by independent shareholders shall be carried out in accordance with the H Share Listing Rules, and examination and approval in accordance with the relevant internal authorization of the Company.
- (IV) To comply with the relevant provisions of the H Share Listing Rules on annual review of continuing connected transactions.
- (V) If the Company enters into an agreement involving continuing transactions and thereafter such transactions (for any reason, such as one of the counterparties becoming the director of the Company) become continuing connected transactions, the Company shall become aware of any amendment or update, and comply fully

with all applicable requirements for reporting, announcement and independent shareholder's approval of Chapter 14A of the H Share Listing Rules for all continuing connected transactions effective after such amendment or update occurs.

- (VI) If the continuing connected transaction exceeds the original cap or the terms are significantly updated or revised, the Company shall comply with the procedures for reporting, announcement and approval by independent shareholders specified in the measures again.

Section 5 Disclosure of the Non-exempt Connected Transactions

Article 57 The Company shall disclose the connected transactions as soon as practicable after their terms have been agreed. If the connected transactions are subsequently terminated or there is any material variation of their terms or material delay in the completion, the Company shall announce as soon as practicable. The Company shall also comply with all other applicable provisions under the H Share Listing Rules.

Article 58 If the Group acquires a company or a business from a connected person, such connected person shall make guarantee on matters relating to the profits or net assets or other relevant financial performance of such company or business. The Company shall publish an announcement to disclose any subsequent amendment to the guarantee terms and the reasons therefor, and whether the independent non-executive directors of the issuer are of the view that such amendment is fair and reasonable and in the interests of the shareholders as a whole; and in the case of actual performance falling short of the guaranteed performance, the Company shall publish an announcement to disclose the following matters: (I) the shortfall and any adjustment to the consideration for the transaction or other consequences in accordance with the provisions as set out in the guarantee; (II) whether the connected person has fulfilled its obligations under the guarantee; (III) whether the Group has exercised any option to sell the company or business back to the connected person or other rights it held under the terms of the guarantee, and the reasons for making its decision; and (IV) the independent non-executive directors' opinion on the following matters, including: whether the connected person has fulfilled its obligations; and whether the decision of the Group to exercise or not to exercise any options or rights set out above is fair and reasonable and in the interests of the shareholders as a whole.

Article 59 Announcement on the connected transactions under the H Share Listing Rules shall include following information:

- (I) identity of the parties to the transaction and of their ultimate beneficial owner(s) and summary of their principal business;
- (II) correlation between counterparties and connected persons' interests in relevant transaction;

- (III) if the transaction is not required to be approved by shareholders, the advice of the independent non-executive directors on the matters mentioned in Article 51 above;
- (IV) if it is a continuing connected transaction, it shall set out the calculation basis of the amount payable and cap amount of the transaction. If no circular is required to be published, the Company also need to disclose the way to determine and calculate the cap, including relevant assumptions and the amount of previous transaction as a benchmark for the cap;
- (V) if the transaction involves the Group acquiring assets from connected persons, it shall set out the initial cost for acquiring relevant assets by the connected persons;
- (VI) if the announcement sets out profit forecast in relation to the Group, or of a company belongs to (or will be) the Company's subsidiary, it should provide information required by the H Share Listing Rules in respect of the announcement containing profit forecast;
- (VII) if the transaction is, or will be, approved by way of shareholders' written approval, it shall disclose the details of the shareholders giving the approval (including their names and respective shareholdings in the Company) and the relationship between the shareholders; and
- (VIII) if a circular is required, it shall disclose the expected date of distribution of the circular, and, if it is distributed after 15 business days after the publication of the announcement, the reasons causing delay distribution of the circular.

Article 60 If a circular is required, the Company shall dispatch a circular to shareholders (I) at the same time or before the Company gives notice of the general meeting of shareholders if the connected transactions are to be approved by shareholders in a general meeting of shareholders; or (II) if no general meeting of shareholders is to be held, within 15 business days after publication of the announcement. The Company may apply for a waiver from this requirement if it requires additional time to prepare the circular.

Article 61 Circular on connected transactions under the H Share Listing Rules shall include following:

- (I) the information required to be disclosed in the announcement for the transactions;
- (II) identity of the parties to the transactions and of their ultimate beneficial owner(s) and summary of their principal business;
- (III) the name of the connected persons concerned, his/her or its relationship with any controller and the name and title held by that controller;

- (IV) if the transaction is a continuing connected transaction, it shall set out the way to determine and calculate the cap, including relevant assumptions and the amount of previous transaction as a benchmark for the cap;
- (V) an opinion letter from the independent financial adviser;
- (VI) if the transaction involves the acquisition or disposal of any property interests, a valuation and information on the property; and
- (VII) a statement whether any Directors have a material interest in the transaction and, if so, whether they have abstained from voting on the board resolution, etc.

Article 62 The Company shall disclose its connected transactions conducted during the financial year in its annual report as required by the H Share Listing Rules, including relevant disclosures on the transaction date, the parties to the transaction and a description of their connected relationship, a brief description of the transaction and its purpose and the total consideration and terms.

Chapter 4 Supplementary Provisions

Article 63 Matters not covered herein shall be implemented in accordance with relevant national laws and regulations, listing rules of the stock exchange(s) where the Company's shares are listed and the articles of association; In case of any conflict with the laws and regulations promulgated by the State in the future or the articles of association modified through legal procedures, the relevant laws and regulations promulgated by the State and the articles of association shall prevail, and the system shall be revised in a timely manner and submitted to the general meeting for consideration and approval.

Article 64 The system shall be interpreted and revised by the Board or its authorized unit.

Article 65 The system shall be implemented commencing on the date of approval by the general meeting. For the system to be amended, the Board shall propose an amendment plan for the consideration and approval by the general meeting, which shall not take effect until it is approved by the general meeting.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

PHARMARON BEIJING CO., LTD.**External Guarantee Management Policy****Chapter 1 General Provisions**

Article 1 The Rules of External Guarantee Management (these “Rules”) are formulated in accordance with the provisions of the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “Company Law”), the Civil Code of the People’s Republic of China (中華人民共和國民法典), the listing rules of the stock exchanges where shares in the Company are listed (including but not limited to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (香港聯合交易所有限公司證券上市規則) (the “Listing Rules”)) and other applicable laws, regulations, normative documents and the Articles of Association of the Company (the “Articles of Association”) for the purpose of regulating the external guarantees of Pharmaron Beijing Co., Ltd. (the “Company”) and the Company’s conduct therein and controlling the Company’s operational risks.

Article 2 An external guarantee herein refers to a guarantee provided by the Company for others, including guarantees provided by the Company for its majority-owned subsidiaries and wholly owned subsidiaries (collectively the “**Subsidiaries**” and individually a “**Subsidiary**”). The “total amount of the external guarantees provided by the Company and the Subsidiaries” herein refers to the sum of the total amount of the Company’s external guarantees, including the Company’s guarantees to its Subsidiaries and the external guarantees that the Subsidiaries provide for others.

Article 3 The decisions about any external guarantee shall be made by the general meeting and the board of directors, and all the external guarantees provided by the Company shall be subject to the approval by the general meeting of the Company or the board of directors of the Company pursuant to relevant procedures.

The Company shall not provide any external guarantee without the approval of the general meeting or the board of directors.

Chapter 2 Authorization of External Guarantees

Article 4 The following guarantees by the Company, including guarantees provided to its Subsidiaries, shall be subject to deliberation and approval by a general meeting upon the approval of the board of directors:

- (I) A single guarantee for an amount in excess of 10% of the Company’s latest audited net assets;
- (II) Any guarantee provided after the total amount of the external guarantees provided by the Company and the Subsidiaries has exceeded 50% of the Company’s latest audited net assets;

- (III) A guarantee provided to a party which has an asset-liability ratio in excess of 70%;
- (IV) Any guarantee(s) provided after the total external guarantee amount of the Company exceeds 30% of the Company's latest audited total assets;
- (V) Guarantee(s), of which the aggregate amount over a period of 12 consecutive months exceeds 30% of the Company's latest audited total assets;
- (VI) Guarantee(s) of which the aggregate amount over a period of 12 consecutive months exceeds 50% of the Company's latest audited net assets and the absolute value exceeds RMB50 million;
- (VII) A guarantee provided to a shareholder or an actual controller or a connected party thereof;
- (VIII) Other guarantees as the stock exchanges where shares in the Company are listed or the Articles of Association requires so; or
- (IX) It constitutes a major transaction, highly substantial disposal, highly substantial acquisition and reverse takeover in accordance with the calculation provided in Chapter 14 of the Listing Rules.

A guarantee specified in Item (IV) and (V) above and deliberated at a general meeting requires approval by at least two-thirds of the voting rights held by the shareholders attending the meeting at which such guarantee is deliberated.

When a motion on providing guarantee to a shareholder or an actual controller or a connected party thereof is deliberated at a general meeting, such shareholder or any shareholder(s) controlled by such actual controller shall not vote on the motion, which shall be passed by at least half of the voting rights held by the other shareholders attending the general meeting.

Where the Company is to provide a guarantee to a connected party, such guarantee shall be disclosed in a timely manner after being deliberated and approved by the board of directors, and thereafter it shall be submitted to a general meeting for deliberation. Where the Company is to provide a guarantee to a controlling shareholder or an actual controller or a connected party thereof, such controlling shareholder, actual controller or connected party shall provide a counter guarantee.

Where the Company is to provide a guarantee to a wholly-owned Subsidiary, or to a majority-owned Subsidiary of which the other shareholders provide guarantees to the Subsidiary in proportion to their interests therein, such guarantee shall be exempted from deliberation and approval by a general meeting if it falls within the scope described in Item (I), (II), (III) or (VI) of this article.

For the purpose of this article, the amount of the Company's external guarantees shall be the aggregate guaranteed amount that occurs within 12 consecutive months. The guaranteed amount for which the relevant obligations provided under this article have been performed shall not be included in any subsequent calculation for the purpose of this article.

Article 5 Any external guarantee not included in Article 4 hereof shall take effect upon the deliberation and approval by the board of directors.

An external guarantee subject to the approval of the board of directors must be approved by a resolution adopted by at least two-thirds of directors attending the meeting of the board of directors.

Chapter 3 Acceptance and Review of the Application for External Guarantees

Article 6 Any application for an external guarantee shall be submitted to the finance department of the Company. The debtor shall submit the application for the guarantee along with any appendix thereto to the finance department at least five business days in advance, and the application shall include:

- (I) Basic information of the debtor;
- (II) Description of the debt to be guaranteed;
- (III) Type and term of the guarantee;
- (IV) Key terms of the guarantee agreement;
- (V) Explanation of the debtor's repayment plan and sources of repayment; and
- (VI) Plan for counter guarantee.

Article 7 The debtor shall submit the guarantee application along with:

- (I) Photocopies of the debtor's business license;
- (II) The debtor's latest financial statements for the previous year and for the most recent period;
- (III) The debt agreement to be secured by the guarantee;
- (IV) The guarantee agreement template provided by the creditor;
- (V) A statement that the debtor is subject to no significant litigation, arbitration or administrative punishment; and
- (VI) Other information that the finance department considers necessary.

Article 8 After receiving the debtor's application, the finance department shall timely investigate the credit status of the debtor and conduct a risk analysis on the contemplated guarantee, and the written report of such investigation and analysis signed by the chief financial officer together with the application and photocopies of appendices to the application will be submitted to the securities division.

Article 9 The legal compliance department shall conduct a compliance review and issue its opinion within three business days after receiving the written report from the financial department and the materials of the application.

Article 10 After the application passes the compliance review, the securities affairs department shall arrange for deliberation and approval of the application at the meeting of the board of directors or the general meeting in accordance with the relevant requirements under the Articles of Association.

Article 11 When deliberating the application for guarantee submitted by a debtor, the board of directors shall be prudent and strictly control debt risks that may arise from external guarantees. If necessary, the board of directors may engage third-party professional institutions to assess the risk that may arise from external guarantees, and such assessment shall be the basis for the board of directors or the general meeting to make its decision on the application for guarantee.

~~The independent non-executive directors of the Company shall give their independent opinions when an external guarantee is being deliberated by the board of directors. If necessary, an accounting firm may be engaged to audit the Company's previous and current external guarantees. In case the accounting firm identifies any irregularity, it shall timely inform the board of directors and competent regulators and publicly announce such irregularity.~~

Article 12 The Company shall, when providing an external guarantee, require the debtor to provide a counter guarantee, if possible, and shall prudently check the debtor's capability of acting as guarantor and the exercisability of the required counter guarantee.

Article 13 A director or shareholder who has an interest in a guarantee shall withdraw from voting on whether to approve such guarantee at a meeting of the board of directors or a general meeting of the Company.

Article 14 The securities division shall record in detail the discussion and voting process relating to guarantees deliberated over at meetings of the board of directors and general meetings and shall timely disclose information thereabout.

Chapter 4 Execution of Guarantee Agreement and Counter-Guarantee Agreement

Article 15 When providing any external guarantee or accepting any counter guarantee, the Company shall conclude a written agreement thereon (which shall include a letter of guarantee, the same applies below).

Article 16 The guarantee agreement and counter-guarantee agreement shall be signed by the chairman of the board of directors or his or her authorized signatory, and no other person shall enter into any external guarantee agreement on behalf of the Company without authorization.

No external guarantee agreement shall be entered on behalf of the Company without the resolution of the board of directors or the general meeting.

Article 17 The content of any guarantee agreement or counter-guarantee agreement shall comply with the provisions of applicable Chinese laws and regulations and these Rules, and the main terms shall be clear and unambiguous.

Article 18 Each guarantee agreement or counter-guarantee agreement shall specify, among others:

- (I) The type and amount of the debt to be guaranteed;
- (II) The due date of the debt;
- (III) The form, amount, scope and term of the guarantee;
- (IV) Rights, obligations and liabilities for breach of contract of the parties;
- (V) Governing law and dispute resolution; and
- (VI) Other matters deemed as necessary to be agreed upon by the parties.

Article 19 The finance department of the Company together with the compliance department of the Company shall be responsible for duly completing legal formalities for the Company's external guarantees (e.g., mortgage or pledge) or counter guarantees accepted by the Company, and in case of the latter, the finance department and the compliance department shall timely file the assets mortgage or pledge with the competent authority.

Article 20 The Company should keep in proper custody guarantee agreements, counter-guarantee agreements and relevant original materials, timely sort out and examine the same, verify relevant materials with entities such as banks on a regular basis, keep track of the effective terms and expiry dates of the guarantees and otherwise ensure the completeness, accuracy and validity of the archived instruments and other materials.

If any irregular agreement not properly deliberated and approved by the board of directors or the general meeting is identified in the course of agreement management, such irregularity shall be promptly reported to the board of directors, the Supervisory Committee or any competent authority or relevant stock exchange(s).

Chapter 5 Daily Management and Risk Control of Guarantees

Article 21 The finance department of the Company shall be responsible for the registration, cancellation and daily management of guarantees.

The finance department shall set up a ledger to record external guarantees in a truthful, accurate and complete manner. Before a debt guaranteed by the Company becomes due, the finance department shall urge the debtor to timely repay the debt.

The finance department shall keep in proper custody all the documents related to external guarantees of the Company, including but not limited to applications for external guarantees and the appendices thereto, review opinions issued by the finance department, the legal compliance department, the secretary to the board of directors and other departments of the Company, resolutions of the board of directors or the general meeting, executed guarantee agreements and counter-guarantee agreements and registration certificates of mortgages or pledges, and it shall on quarterly basis fill out the form for external guarantees of the Company and submit the same to the board of directors with a copy provided to the manager and the secretary to the board of directors of the Company.

If a guaranteed debt needs to be extended upon its expiry and requires the Company to continue to provide guarantee therefor, the guarantee shall be considered a new external guarantee, which shall be subject to the review and approval procedures as provided in these Rules.

Article 22 The Company shall designate a person of the finance department to continuously monitor the condition of the debtors by acquiring the latest financial information and audit report of the debtors, analyzing the debtors' financial condition and solvency on a regular basis and following the debtors' operation, assets and debts, external guarantees, mergers and splits, changes to legal representatives and other developments. The designated person shall establish financial archives for the debtors and regularly update the board of directors on the debtors.

In the event that a debtor's operation materially deteriorates or the debtor undergoes any material event, such as corporate dissolution or demerger, the designated person shall promptly report the deterioration or event to the board of directors, and the board of directors shall adopt effective measures to minimize losses.

Article 23 When a debt for which the Company provides external guarantee is due, the Company shall procure the debtor to repay the debt within the set time limit. If the debtor fails to repay the debt within the time limit, or the creditor requires the Company to repay the debt instead because the debtor is bankrupt, dissolved or liquidated, the Company shall promptly learn about the operation, financial condition and debt repayment of the debtor, disclose relevant information in accordance with applicable laws, timely take remedial measures and initiate recourse.

~~Article 24~~ The Company's independent directors shall recount, in a dedicated section of the Company's annual reports, the Company's outstanding external guarantees of the very fiscal term and its outstanding external guarantees accumulated so far and shall provide independent opinions thereon.

Chapter 6 Disclosure of Guarantee Information

~~Article 25-24~~ The Company shall perform information disclosure obligations in relation to the external guarantees it provides in accordance with relevant laws, regulations, normative documents, the listing rules of the stock exchanges where shares in the Company are listed and the Articles of Association.

~~Article 26-25~~ An external guarantee approved by the board of directors or the general meeting shall be timely announced on newspapers or websites designated by the Company. The content to be disclosed shall include the resolutions of the board of directors or the general meeting as well as the following information as of the disclosure date: the total amount of external guarantees provided by the Company and the Subsidiaries, the total amount of guarantees provided by the Company for the subsidiaries and the respective proportions of the aforementioned amounts to the Company's latest audited net assets.

~~Article 27-26~~ A Subsidiary of the Company shall notify the secretary to the board of directors of the Company to disclose relevant information after the board of directors or the general meeting of the Subsidiary reaches a resolution about an external guarantee.

~~Article 28-27~~ The Company shall truthfully disclose all its external guarantees to any certified public accountant engaged by the Company.

~~Article 29-28~~ For any disclosed guarantee, the Company shall promptly disclose any of the following circumstances:

- (I) The debtor fails to repay the debt within 15 trading days after the debt becomes due;
or
- (II) The debtor is subject to bankruptcy, liquidation or other situations seriously affecting the debtor's repayment ability.

~~Article 30-29~~ The Company shall take necessary measures to keep the access to the information regarding a guarantee on a need-to-know basis before it is publicly disclosed.

Any personnel who has access to the Company's guarantee information shall be obliged to keep such information confidential until such information is publicly disclosed in accordance with laws; otherwise, they shall bear the liability arising from their breach of this confidentiality obligation.

Chapter 7 Liabilities

Article ~~31~~-30 The Company shall provide external guarantees in strict accordance with these Rules. In case of breach of any provision hereof, the board of directors will determine the appropriate punishment for the person responsible for the breach depending on the loss caused to the Company, level of risk and the severity of the breach.

Article ~~32~~-31 Any director, manager or other officer of the Company who enters into a guarantee agreement without proper authorization in breach of the provisions hereof shall be held liable.

Article ~~33~~-32 In case any person from Company's departments handling or otherwise responsible for external guarantees breaches the provisions under the applicable laws or these Rules by neglecting the risks and providing guarantee without authorization, causing losses to the Company, such person shall be held liable for compensation.

In case any person from Company's departments handling or otherwise responsible for external guarantees neglects his or her duties, causing losses to the Company, he or she shall be subject to monetary or other types of punishment depending on the severity of his or her negligence.

Article ~~34~~-33 If any person from the Company's departments handling or otherwise responsible for external guarantees acts without authorization, causing the Company to bear liability and subsequent losses where the Company is otherwise free from guarantor's liability according to laws, the Company shall subject the person to administrative penalty and require him or her to compensate the Company.

Chapter 8 Supplementary Provisions

Article ~~35~~-34 The Company manages all its external guarantees in a consistent manner, and the provisions hereof are applicable, mutatis mutandis, to the external guarantees of the Subsidiaries.

Article ~~36~~-35 Matters not covered herein shall be subject to applicable national laws, regulations, the listing rules of the stock exchanges where shares in the Company are listed, the Articles of Association and the requirements of other relevant normative documents.

Where these Rules are in conflict with applicable national laws, regulations, the listing rules of the stock exchanges where shares in the Company are listed, the Articles of Association and requirements of other relevant normative documents, the applicable national laws, regulations, the listing rules, the Articles of Association and the requirements of other relevant normative documents shall prevail.

Article 37–36 These Rules and its amendments shall become effective after being deliberated and approved by the general meeting.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

PHARMARON BEIJING CO., LTD.**External Investment Management Policy****Chapter 1 General Provisions**

Article 1 In accordance with the Company Law of the People’s Republic of China (the “**Company Law**”) and other laws, regulations, administrative rules and normative documents, the listing rules of the stock exchange in the place where the shares of the Company are listed (including but not limited to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the relevant provisions of the Articles of Association, the System is formulated in order to regulate the external investment of Pharmaron Beijing Co., Ltd. (the “**Company**”), improve the investment benefits, reasonably avoid the risks brought by the investment, and use the funds effectively and reasonably.

Article 2 External investment defined in the System refers to the Company’s investment activities in various forms by contributing a certain amount of monetary funds, equity interests and evaluated physical or intangible assets for future income (Excluding the establishment or capital increase of a wholly-owned subsidiary).

Article 3 The Company’s external investment is divided into short-term investment and long-term investment according to the duration of the investment period. Short-term investments mainly represent investments purchased by the Company that can be realized at any time with holding period of no more than one year (inclusive); long-term investments mainly represent various investments with investment period of more than one year that cannot be realized at any time or are not ready to be realized. External investments of the Company include but are not limited to:

- (I) Investments in subsidiaries, joint ventures, associates and cooperative projects, including but not limited to the following types:
 - 1. enterprises independently established by the Company or operating projects independently funded by the Company;
 - 2. joint ventures, cooperative companies or development projects established by the Company with other domestic (foreign) independent legal entities or natural persons;
 - 3. other domestic (foreign) independent legal entities holding shares;
 - 4. leasing of operating assets, entrusted operation or joint operation with others.
- (II) Investment in financial assets held for trading, available-for-sale financial assets, held-to-maturity investments, etc., including but not limited to investment in various stocks, bonds, funds, participating insurance, etc;

(III) Entrusted wealth management and entrusted loans, etc.

Article 4 The basic principles to be followed in investment management: in line with the Company's development strategy, reasonably allocate corporate resources, promote factor optimization and combination, and create good economic benefits.

Article 5 The System is applicable to all external investment activities of the Company and its wholly-owned subsidiaries and holding subsidiaries (the "Subsidiaries").

Article 6 The Company shall designate the Strategy Committee of the Board to be responsible for conducting special research and evaluation on the feasibility, investment risks, investment returns and other matters of the Company's major investment projects, supervising the implementation progress of major investment projects, and reporting to the board of directors of the Company in a timely manner in case of any abnormality found in the investment projects.

Chapter 2 Approval Authority for External Investment

Article 7 The Company shall implement professional management and hierarchical approval system for external investment.

Article 8 The approval procedures for external investments of the Company shall be strictly in accordance with the relevant national laws and regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, the Rules of Procedure for General Meetings, the Rules of Procedure for the Board of Directors, the Working Rules for the Manager and the System.

Article 9 Any external investment of the Company that meets one of the following criteria shall be submitted to the general meeting for consideration:

- (I) the total assets involved in the external investment transaction (if both book value and appraised value exist, whichever is higher shall be taken as the calculation data) account for more than 50% of the latest audited total assets of the Company;
- (II) the operating revenue related to the subject of the external investment transaction (for instance, equity interest) for the latest accounting year accounts for more than 50% of the Company's audited operating revenue for the latest accounting year, with an absolute amount exceeding RMB50 million;
- (III) the net profit related to the subject of the external investment transaction (for instance, equity interest) for the latest accounting year accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million;

- (IV) the transaction amount of the external investment transaction (including the debts and expenses) accounts for more than 50% of the Company's latest audited net assets, with an absolute amount exceeding RMB50 million;
- (V) the profit generated from external investment transactions accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million;
- (VI) The calculation of related investment transactions as required by Chapter 14 of the Listing Rules constitutes major transactions, very substantial disposals, very substantial acquisitions or reverse takeovers.

If the data involved in the above indicators is negative, the absolute value shall be used for calculation.

Any transaction of the Company which meets the criteria set out in item (III) or (V) of the first term of this Article and the absolute value of the earnings per share of the Company for the latest accounting year is less than RMB0.05 shall be exempted from the consideration procedure of the general meeting.

Article 10 External investment matters of the Company meeting one of the following criteria shall be submitted to the board of directors for consideration:

- (I) the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets. Where the total assets involved in the transaction have both book value and appraised value whatever is higher shall be taken for calculation;
- (II) the operating revenue related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 10% of the Company's audited operating revenue for the latest accounting year, with an absolute amount exceeding RMB10 million;
- (III) the net profit related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million;
- (IV) the transaction amount of the transaction (including the debt and expenses) accounts for more than 10% of the Company's latest audited net assets, with an absolute amount exceeding RMB10 million;
- (V) the profit derived from the transaction accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million.

- (VI) the calculation of related investment transactions as required by Chapter 14 of the Listing Rules constitutes share transactions, disclosable transactions, major transactions, very substantial disposals, very substantial acquisitions or reverse takeovers.

In case the figure involved in the above index calculation is negative, the absolute value thereof shall be taken for calculation.

Article 11 The board of directors authorizes the manager to decide on the following external investment matters of the Company during the adjournment of the Board meeting:

- (I) the total assets involved in the external investment transaction (if both book value and appraised value exist, whichever is higher shall be taken as the calculation data) account for less than 10% of the Company's latest audited total assets;
- (II) the operating revenue related to the subject of the external investment transaction (for instance, equity interest) for the latest accounting year accounts for less than 10% of the Company's audited operating revenue for the latest accounting year, or with an absolute amount not exceeding RMB10 million;
- (III) the net profit related to the subject of the external investment transaction (for instance, equity interest) for the latest accounting year accounts for less than 10% of the Company's audited net profit for the latest accounting year, or with an absolute amount not exceeding RMB1 million;
- (IV) the transaction amount of the external investment transaction (including the debts and expenses) accounts for less than 10% of the Company's latest audited net assets, or with an absolute amount not exceeding RMB10 million;
- (V) the profit generated from external investment transactions accounts for less than 10% of the Company's audited net profit for the latest accounting year, or with an absolute amount not exceeding RMB1 million;
- (VI) the calculation of related investment transactions as required by Chapter 14 of the Listing Rules constitutes share transactions, disclosable transactions, major transactions, very substantial disposals, very substantial acquisitions or reverse takeovers.

In case the figure involved in the above index calculation is negative, the absolute value thereof shall be taken for calculation.

Although external investment matters are within the scope of the manager's external investment decision-making authority, if the Company needs to make an announcement on the relevant investment transactions or the manager considers that the external investment matters involve a material interest of the Company, the manager may submit the external investment matters to the board of directors for collective decision-making.

The Company's investment in securities, entrusted wealth management or investment in futures, options, warrants and other derivatives based on stocks, interest rates, exchange rates and commodities shall be considered and approved by the board of directors or the general meeting of the Company, and shall not delegate the authority to approve entrusted wealth management to others.

Article 12 If the external investment matter constitutes a related/connected transaction, it should be executed in accordance with the decision-making authority of related/connected transactions.~~Where the Company invests in financial derivative instruments such as stocks, futures, options, foreign exchange and investment funds or carries out other forms of risk investment within the scope permitted by laws, regulations and other applicable normative documents and the listing rules of the stock exchange where the Company's shares are listed, the Company shall be cautious and shall formulate strict decision-making procedures, reporting system and monitoring measures, and limit the investment scale of the Company's entrusted wealth management or derivatives according to the Company's risk tolerance. Such investment activities shall be submitted to the general meeting for consideration after being considered and approved by the board of directors, and shall be approved by more than two-thirds of all directors and more than two-thirds of independent non-executive directors.~~

Article 13 Where the Company carries out entrusted wealth management, it shall select qualified professional wealth management institutions which have good credit status, financial status and strong profitability, and have no bad credit record as the trustee, and enter into a written contract with the trustee to specify the amount, term, type of investment, rights and obligations and legal liabilities of both parties of the entrusted wealth management. The board of directors of the Company shall designate special personnel to track the progress and safety of the entrusted wealth management funds, and require them to report in a timely manner in case of abnormalities, so that the board of directors can take effective measures to recover funds immediately to avoid or reduce the Company's losses.

Chapter 3 Organization and Administration Agency of External Investment

Article 14 The general meeting and the board of directors of the Company are the decision-making bodies for external investment of the Company, and shall make decisions on external investment of the Company within their respective scope of authority. Unless otherwise required by relevant laws and regulations, normative documents, the listing rules of the stock exchange where the Company's shares are listed, the Articles of Association and the System, no other departments or individuals are entitled to make any decision on external investment.

Article 15 The board of directors of the Company shall regularly learn about the implementation progress and investment benefits of major investment projects. In case of any failure to make investment as planned, failure to realize the expected return of the project, loss of investment, etc., the board of directors of the Company shall find out the reasons and investigate the responsibilities of relevant personnel.

Article 16 The board of directors of the Company shall establish a strategy committee under the Board, which shall be a special committee under the Board responsible for external investment, responsible for making overall planning, coordinating and organizing the analysis and research of external investment projects, and providing recommendations for decision-making.

Article 17 The manager of the Company shall be the main person in charge of the implementation of external investment, responsible for information collection, sorting out and preliminary evaluation of new investment projects, and putting forward investment suggestions, etc., and shall report the investment progress to the board of directors in a timely manner, so as to facilitate the board of directors and the general meeting to make investment decisions in a timely manner.

Article 18 The relevant centralized management department of the Company is the contractor of investment projects, specifically responsible for information collection of investment projects, preparation of project proposals and feasibility study reports, project declaration and approval, supervision and coordination in the project implementation process and post-project evaluation.

Article 19 The finance department of the Company is the daily financial management department for external investment. After the external investment project of the Company is confirmed, the finance department shall be responsible for raising funds, coordinating with relevant parties to handle relevant formalities such as capital contribution procedures, industrial and commercial registration, tax registration and bank account opening, and implementing strict borrowing, approval and payment procedures.

Article 20 For investment projects with strong professionalism or larger scale, the preliminary work shall be completed by forming a special project feasibility study team.

Article 21 The manager shall review and evaluate the project plan or analysis report, and decide to organize the implementation within the authorization of the board of directors or submit to the board of directors/general meeting for approval.

Chapter 4 Decision-making and Management of External Investment

Section 1 Investments in Subsidiaries, Joint Ventures, Associates and Cooperation Projects

Article 22 The centralized management department, together with the finance department, shall conduct a preliminary review of the investment project, propose investment proposals and report to the manager for preliminary review.

Article 23 After the preliminary review and approval, the centralized management department shall be responsible for conducting investigation and demonstration on the project investment proposal, preparing the feasibility study report and relevant documents such as the Letter of Intent for Cooperation (the “**Investment Plan**”), and submitting to the strategy committee of the Board.

Article 24 The manager and the strategy committee of the Board shall approve the investment plan and submit it to the Secretary of the Board. The Secretary of the Board is responsible for the procedure for examination and approval of the investment plan in accordance with the approval authority. The investment plan is subject to approval in accordance with the relevant authority and procedures.

Article 25 For external investment projects that have been approved for implementation, the relevant departments of the Company shall be authorized by the investment approval authorities to be responsible for specific implementation. Once an external investment project is approved, no investment shall be increased at will. If it is really necessary to increase the investment, the investment plan information such as the Letter of Investment Intent and the feasibility study report of the investment project must be re-submitted, and the accumulative investment amount after the increase shall be submitted to the relevant examination and approval authorities for examination and approval.

Article 26 The manager and operation management of the Company shall be responsible for overseeing the operation of the project and its operation management.

Article 27 The finance department of the Company shall be responsible for coordinating with the centralized management departments and personnel to invest in cash, material objects or intangible assets in accordance with the investment contract or agreement. Input of material objects must go through handover procedures for material objects.

Article 28 For major investment projects, experts or intermediaries may be engaged for professional demonstration.

Article 29 The manager of the Company shall, according to the investment projects determined by the Company, prepare and implement the investment construction and development plan accordingly, provide guidance, supervision and control over the implementation of the projects, participate in the special audit of the investment projects, terminate (suspend) the liquidation and handover of the investment projects, and conduct investment evaluation and summary.

Article 30 The investment projects shall be reported on a quarterly basis. The finance department of the Company shall report to the manager in a timely manner on the progress of the investment projects, the execution and use of investment budgets, the status of the parties to the cooperation, the operating conditions, problems and suggestions. The manager shall, within one month after the end of each quarter, report to the strategy committee of the Board in a timely manner on the progress of the investment project, the execution and use of the investment budget, the status of the parties to the cooperation, the operating conditions, problems and suggestions. In the process of implementing investment and construction, the investment budget may be reasonably adjusted according to the changes in the implementation, and the adjustment of the investment budget shall be approved by the original investment examination and approval authority.

Article 31 The supervisory committee, audit department and finance department of the Company shall supervise the investment projects in accordance with their duties, timely propose rectification opinions for non-compliance, propose special reports on major issues, and submit them to the project investment examination and approval authority for discussion and handling.

Article 32 The Company shall establish the file management system for investment projects. The file information from the pre-selection of the project to the completion and transfer of the project (including the suspension of the project) shall be prepared and filed by the office of the board of directors.

Section 2 Securities Investment, Entrusted Wealth Management and Derivatives Investment

Article 33 The decision-making procedures for investment in securities, entrusted wealth management and derivatives of the Company are as follows:

- (I) The Company's centralized management department is responsible for pre-selecting investment opportunities and investees and preparing investment plans based on the profitability of the investees;
- (II) The finance department of the Company is responsible for providing the capital flow of the Company;
- (III) The investment plan shall be implemented after going through the procedures for examination and approval according to the authority of examination and approval.

Article 34 The finance department shall be responsible for the timely registration and accounting by type, quantity, unit price, accrued interest, purchase date, etc., of the investment and carry out relevant accounting treatment.

Article 35 Where the Company is involved in securities investment, a joint control system attended by the general manager office and the strategy committee of the board of directors shall be implemented, which shall be jointly operated by at least two persons; and the securities investment operation personnel shall be separated from the capital and financial management personnel, which shall restrict each other, and no one shall have separate access to the investment assets. The deposit or withdrawal of any investment assets shall be jointly signed by two persons with mutual restriction.

Article 36 Securities purchased by the Company must be registered in the name of the Company on the date of purchase.

Article 37 The finance department of the Company is responsible for regularly reviewing the use and balance of the funds invested in securities. Interest and dividends received shall be recorded in a timely manner.

Chapter 5 Transfer and Recovery of External Investment

Article 38 The Company may withdraw external investments upon the consideration and approval of the original examination and approval authority of the Company if any of the following circumstances occurs or happens:

- (I) the term of operation of the investment project (enterprise) expires in accordance with the provisions of the Articles of Association;
- (II) the investment project (enterprise) is operated poorly and is unable to repay debts due, and becomes bankrupt according to law;
- (III) the project (enterprise) is unable to continue its operation due to force majeure;
- (IV) other circumstances under which the investment is terminated as stipulated in the contract occur or happen.

Article 39 The Company may transfer external investment upon the consideration and approval of the original examination and approval authority of the Company if any of the following circumstances occurs or happens:

- (I) The investment projects are obviously contrary to the operation direction of the Company;
- (II) The investment projects have been loss-making continuously and there is no prospect of turning around;

(III) When it is in urgent need of supplementary funds due to insufficient working capital;

(IV) Other circumstances which the Company considers necessary.

Article 40 Transfer of investments shall be conducted in strict compliance with the provisions on transfer of investments under the Company Law and the Articles of Association. Disposal of external investments shall comply with the relevant national laws and regulations and the listing rules of the stock exchange where the Company's shares are listed.

Article 41 The procedures and authorities for approving the disposal of external investments shall be the same as those for approving the implementation of external investments.

Article 42 The financial department shall be responsible for asset valuation of investment recovery and transfer to prevent the loss of the Company's assets.

Chapter 6 Personnel Management of External Investment

Article 43 Where the Company invests to establish a cooperative or joint venture company, it shall dispatch directors and supervisors elected through its legal procedures to participate in, supervise and influence the operation decisions of the newly established company. The Company shall dispatch project managers or company representatives to participate in the operation and management of the cooperative projects.

Article 44 For the holding subsidiaries established for external investment, the Company shall designate directors elected through its statutory procedures and assign corresponding operation and management personnel (including chief financial officer) to play an important role in the operation and decision-making of the holding subsidiaries.

Article 45 The dispatched personnels shall perform their duties in accordance with the provisions of the Company Law, the Management System for Branches and Subsidiaries of Pharmaron Beijing Co., Ltd. and the Articles of Association of the invested companies, safeguard the interests of the Company in the operation and management of new companies and cooperation projects, and realize the preservation and appreciation of the Company's investment.

The relevant personnel appointed by the Company to serve as directors of the investment unit shall pay attention to obtaining more information of the investment unit through attending board meetings and other means, and shall report the investment situation to the Company in a timely manner.

Chapter 7 Financial Management and Audit of External Investment

Article 46 The financial department of the Company shall carry out comprehensive and complete financial records of the Company's external investment activities, conduct detailed accounting, establish detailed account books for each investment project, and record relevant information in detail. The accounting methods for external investments shall comply with the accounting standards and accounting systems.

Article 47 The financial department of the Company shall be responsible for the financial management of external investment. The financial department shall, based on the analysis and management needs, obtain the financial reports of the investee, so as to analyze the financial conditions of the investee, safeguard the interests of the Company and ensure that the interests of the Company are not impaired.

Article 48 The audit department of the Company shall conduct a comprehensive inspection on the investment projects of the Company on a quarterly basis. Regular or special audits shall be conducted on branches and subsidiaries. The audit department of the Company shall include important external investment audit into the annual internal control work plan and make it the focus of internal control inspection and evaluation.

Article 49 The accounting methods and accounting policies, accounting estimates and changes adopted in financial management of the subsidiaries of the Company shall comply with the relevant provisions of the accounting management system of the Company.

Article 50 Subsidiaries of the Company shall submit monthly financial and accounting statements to the financial department of the Company, and timely submit accounting statements and provide accounting materials in accordance with the requirements for the preparation of consolidated financial statements by the Company.

Article 51 The Company may appoint a chief financial officer to its subsidiaries, who shall supervise the truthfulness and legality of the financial conditions of the Company.

Article 52 All investment assets of the Company shall be checked by internal auditors or other personnel who are not involved in the investment business on a regular basis or by entrusting the custodian to check whether they are owned by the Company, and check the inventory records against the book records to confirm consistency.

Chapter 8 Supplementary Provisions

Article 53 The Company shall comply with national laws, regulations, applicable normative documents, the System, the listing rules of the stock exchange where the Company's shares are listed and the System for the Management of Raised Funds of the Company when using the raised funds for investment.

Article 54 Matters not covered herein shall be implemented in accordance with relevant national laws, regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association of the Company.

Where the System conflicts with relevant national laws, regulations, the listing rules of stock exchange in the place where the shares of the Company are listed and the Articles of Association, relevant national laws, regulations, the listing rules of stock exchange in the place where the shares of the Company are listed and the Articles of Association shall prevail.

Article 55 The System shall be interpreted by the board of directors of the Company.

Article 56 The System shall come into effect and be implemented from the date on which it is considered and approved by the board of directors of the Company and submitted to the general meeting for consideration and approval, and the same applies when it is revised.

(No text below)

PHARMARON BEIJING CO., LTD.

Special Storage and Use of Proceeds Management Policy

Chapter 1 General Provisions

Article 1 The Administrative Rules for Deposit and Use of Raised Funds (these “Rules”) are formulated in accordance with the provisions of the Company Law of the People’s Republic of China (中華人民共和國公司法), the Securities Law of the People’s Republic of China (中華人民共和國證券法) and the Articles of Association of Pharmaron Beijing Co., Ltd. (the “Articles of Association”) for the purpose of regulating the administration of the funds raised by Pharmaron Beijing Co., Ltd. (the “Company”) in order to improve the efficiency of the use of such funds and effectively safeguard the interests of investors.

Article 2 For the purpose of these Rules, the term “raised funds” (the “Funds”) shall ~~mean~~ refer to funds raised from the investors for specific purposes through issuance of shares and their derivatives ~~on Shenzhen Stock Exchange~~ by the Company, but excluding the fund raised by ~~the listed company for implementing stock~~ the share incentive plans of the Company. The usage and management of proceeds from overseas listed foreign shares shall be proceeded pursuant to relevant regulations of the Securities and Futures Commission of Hong Kong and the Stock Exchange of Hong Kong Limited.

Article 3 The board of directors of the Company shall fully demonstrate the feasibility of the Funds for investment projects, make sure that the investment project has a good market prospect and profitability, effectively prevent investment risks and improve the efficiency in the use of the Funds.

Article 4 The Company shall establish and improve the Rules for the deposit, use, change, supervision and accountability of the Funds, clarify the hierarchical approval, decision-making procedures, risk control measures and information disclosure requirements for the use of the Funds and ensure the normal progress of the projects to be invested with the Funds.

Article 5 The directors, supervisors and senior management of the Company shall be diligent and responsible, urge the Company to regulate the use of the Funds, consciously safeguard the safety of the Funds of the Company, and shall not participate in, assist or connive the Company in changing the use of the Funds without authorization or in disguised form.

Article 6 The sponsor shall, during the period of continuous supervision, perform its sponsorship and continuous supervision duties on the administration of Funds pursuant to the Measures for the Administration of the Sponsorship of the Offering and Listing of Securities (證券發行上市保薦業務管理辦法), the Self-discipline Regulatory Guidelines for Companies Listed on Shenzhen Stock Exchange No. 13 – Sponsorship Business.

Chapter 2 Deposit in the Special Account

Article 7 The Company shall prudently choose a commercial bank, and the board of directors shall decide on a special account (the “**Special Account**”) with the chosen bank for the Funds. The Funds shall be deposited in the Special Account for the convenience of management. The Special Account shall not be used for funds other than the Funds or for any other purpose.

If the Company has conducted more than two rounds of fundraising, it shall set up a separate Special Account for each round.

In case the Funds actually raised exceed the amount planned to be raised, any excess of Funds (the “Excess Funds”) shall be deposited in the Special Account for management.

Article 8 The Company shall, within a month following the receipt of the Funds, enter into an escrow agreement (the “**Escrow**”) with the sponsor, independent financial adviser, and the commercial bank receiving the deposit of the Funds (the “**Bank**”), and the Escrow shall provide, among others:

- (I) That the Company shall deposit the Funds in the Special Account;
- (II) The account number of the Special Account, the Project(s) associated with the Special Account and the amount deposited;
- (III) That the Company and the Bank shall promptly notify the sponsor or the independent financial adviser of any single withdrawal or aggregate withdrawals from the Special Account over a twelve-month period in excess of RMB50 million or 20% of the net Funds;
- (IV) That the Bank shall send a bank statement of the Special Account to the Company each month, with a copy to the sponsor or the independent financial adviser;
- (V) That the sponsor or the independent financial adviser may, at any time, access information of the Special Account at the Bank;
- (VI) The duties of the sponsor or the independent financial adviser to supervise the Funds, the duties of the Bank to inform and cooperate, and the ways in which the sponsor or the independent financial adviser and the Bank shall supervise the use of Funds;
- (VII) The rights, obligations and liabilities for breach of contract of the Company, the Bank and the sponsor or the independent financial adviser; and

(VIII) That in case the Bank fails to timely issue bank statements to the sponsor or the independent financial adviser or notify the sponsor of a large withdrawal from the Special Account, in both cases for three times, or the Bank fails to cooperate with the sponsor or the independent financial adviser in the inquiry and investigation of the Special Account, the Company may terminate the Escrow and cancel the Special Account.

The Company shall announce the main content of the Escrow in a timely manner after the Escrow is executed by all the parties thereto.

Where the Company has one of its majority-owned subsidiaries implement any Project, the Escrow shall be entered by the Company, the majority-owned subsidiary that implements the Project, the Bank and the sponsor or the independent financial adviser, where the Company and the controlled subsidiary shall be deemed as one party.

If the Escrow is terminated before its expiry date, the Company shall enter into a new escrow agreement with relevant parties within one month from the date of termination of the Escrow, timely make a public announcement thereabout.

Chapter 3 Use of Funds

Article 9 The Company shall prudently use the Funds to ensure that the use of the Funds is consistent with the undertakings in the Prospectus, and shall not arbitrarily change the investment direction of the Funds or change the use of the Funds in disguised form.

The Company shall truthfully, accurately and completely disclose the actual use of the Funds. The Company shall promptly make a public announcement on any circumstance that has a significant impact on the normal use of the Funds as planned.

Article 10 No Project shall be used for financial investment such as entrusted management of wealth (except for cash management), entrusted loans and high-risk investment including securities and derivative investment, and the Funds shall not be invested directly or indirectly in a company whose main business is trading securities.

The Company shall not use the Funds for pledge or other investments that in effect change the use of the Funds.

Article 11 The Company shall ensure the truthfulness and fairness of the use of the Funds, prevent the Funds from being occupied or misappropriated by any controlling shareholder, actual controller and their connected party and take effective measures to avoid any connected party from taking advantage of the Funds for improper gains.

Article 12 The Company shall reevaluate the feasibility and estimated profits of a Project to decide if the Project shall continue, in case any of the following occurs:

- (I) Any material change in the market environment that the Project concerns;
- (II) Suspension of the Project for over one year;
- (III) The deadline specified in the latest investment plan is missed, and the invested Funds is less than 50% of the planned investment amount; or
- (IV) Any other irregularity of the Project.

The Company shall disclose the progress of the Projects, causes for the irregularity and the need to adjust the investment plan, and shall also disclose the adjusted investment plan, in its latest regular report.

Article 13 The use of the Funds by the Company for the following purposes shall be subject to consideration and approval by the Board, with express consents given by ~~independent non-executive Directors,~~ the Supervisory Committee and the sponsor or the independent financial adviser:

- (I) Replacement of the self-raised funds previously injected in the investment projects with the Funds;
- (II) Use of temporarily idle Funds for cash management;
- (III) Use of temporarily idle Funds for temporary replenishment of working capital;
- (IV) Change of the use of the Funds;
- (V) Change of the implementation location of investment projects funded with the Funds;
- (VI) Adjustment of the schedule of investment projects funded with the Funds;
- (VII) Use of the Excess Funds.

Changes in the use of the Funds and the use of the Excess Funds that are required to be reviewed by the general meeting shall also be considered and approved by the general meeting.

Article 14 After completion of individual or all investment projects financed by the Funds, if the Company uses the Excess Funds (including interest income) for other purposes, and the amount thereof is less than RMB5 million or less than five percent (5%) of the net amount of the Funds for the project, the procedures stipulated in Article 13 of These Rules may be waived and the use of the Funds of the project shall be disclosed in the annual report.

If the Excess Funds (including interest income) used reach or exceed 10% of the net amount of the Funds for the project and higher than RMB10 million, the Funds of the project may also be considered and approved at the general meeting.

Article 15 In case the Company has made investment with its own funds in Projects prior to receiving the Funds, the Funds may be used to replace such invested self-owned funds only after the accounting firm has issued an assurance report. Within six months after the proceeds become available for use, the Company replace the internal funds with the proceeds.

Where the Company has disclosed, in the application documents for securities issuance, that it intends to replace the self-owned funds previously invested with the Funds, and if the amount of the previous investment is determined, it shall make a public announcement before the replacement.

Article 16 The Company may use the temporarily idle Funds for cash management purposes. The duration of the investment products shall not exceed 12 months. Such products shall meet the requirement of high level of safety and high liquidity to the extent that they would not affect the normal implementation of investment plan funded with the Funds.

The investment products shall not be pledged and the specific settlement account for the products (if applicable) shall not be used to maintain any funds other than the Funds or for any other purposes. The Company shall promptly publish an announcement when it sets up or terminates a specific settlement account for the products.

Article 17 In the event that the Company uses the idle Funds for cash management purpose, the Company shall timely announce the following after the Board meeting:

- (I) The basic information of the Funds, including the date of receipt of the Funds, amount, net amount and investment plan etc.;
- (II) The information of use of the Funds and the information and reasons that the Funds remained unused, whether there is any act that changes the Funds purpose in disguise and whether there is any measure that ensures the normal operation of Funds-financed project will not be affected;

- (III) the issuer, type, investment scope, duration, amount, income distribution method, estimated annual rate of return (if any) and specific analysis as well as explanation made by the Board about the safety and liquidity of the products invested by the idle Funds;
- (IV) the opinions given by ~~independent non-executive directors~~, the Supervisory Committee and the sponsor agency or independent financial adviser.

The Company shall in a timely manner make an announcement of risk reminder and indicate the risk control measures adopted by the Company to guarantee the safety of the funds in the event of material risks, such as whether financial conditions of the issuer have deteriorated and product invested has suffered losses.

Article 18 The temporary use of the idle Funds to replenish the working capital of the Company shall be limited to the production and operation related to the main business of the Company, and meet the following conditions:

- (I) No change in any form shall be made to the stated use of the Funds, and the normal progress of the investment plan of the Funds may not be affected by such use;
- (II) The amount of Funds used for temporarily replenishing the working capital of the Company has been restored;
- (III) The duration of any single injection of liquid funds using the Funds may not be more than 12 months-;
- (IV) The idle Funds shall not be directly or indirectly used for high-risk investments such as securities investment and derivative transactions.

~~When the idle Funds are used to replenish the working capital, their use shall be limited to the production and operation related to the main business of the Company. The Funds shall not be directly or indirectly used for, among others, the placement of new shares, subscription for or trading of stocks or their derivatives or convertible bonds.~~

Article 19 The use of idle Funds to replenish the working capital shall be subject to the review and approval by the board of directors, and the Company shall make an announcement timely following such approval, stating:

- (I) The basic information on the Funds, including, among others, the collection time of the Funds, the amount and net amount of the Funds and relevant investment plans;
- (II) The information on the use of the Funds, conditions and causes for idleness;

- (III) The causes for shortage of the working capital in the first place, the amount of the idle Funds to replenish the working capital and the duration of such replenishment;
- (IV) The amount of financial expenses expected to be saved by using the idle Funds to replenish the working capital, whether any investment target of the Funds is changed in effect and the measures to ensure that such use of the Funds will not affect the normal progress of the Projects;
- (V) The opinions issued by ~~independent non-executive directors~~, the Supervisory Committee and the sponsor or the independent financial adviser; and
- (VI) Other content required by the Shenzhen Stock Exchange.

The Company shall return the Funds used for replenishment of the working capital to the Special Account by the due date and shall, within two trading days after the Funds are made good, make a public announcement thereon. If the Company anticipates that it will not be able to return the funds to the Special Account of raised funds as scheduled, it shall follow the review procedures and make a timely announcement in accordance with the preceding paragraph before the expiry date. The announcement shall include the whereabouts of the Funds, the reasons for the failure to return, the reasons for continuing to replenish the working capital and the period.

Article 20 When the Company's Funds reach or exceed the amount that the Company plans to raise, the Company shall properly plan the use of the Excess Funds according to the Company's development plan and actual production and operation needs, scientifically and prudently conduct the feasibility analysis of the project, and submit such plan for using Excess Funds to the board of directors for deliberation and approval, after which the Company shall disclose the plan in a timely manner. The announcement of the use plan shall include the following contents:

- (I) The basic information on the Funds, including the date of receipt of the Funds, the amount of Funds, the surplus of Net Funds actually raised over the amount of planned Funds, the names of projects in which an investment is made and the amount, the accumulated planned amount and the amount actually used;
- (II) An introduction to the planned investment projects, including the basic information on each project, whether related transactions are involved, feasibility analysis, economic benefit analysis, investment progress schedule, statements that projects have been approved or are pending approval by relevant authorities, and risk warnings (if applicable);
- (III) Opinions from ~~the independent non-executive directors~~, the sponsor or independent financial adviser on the reasons, compliance and necessity of the plan for using Excess Funds.

If the amount of the Excess Funds used in a single plan reaches RMB50 million and reaches more than 10% of the total amount of the Excess Funds, it shall also be submitted to the general meeting for deliberation and approval.

Article 21 If the Company use the Excess Funds to repay bank loans or permanently replenish the working capital, the Company shall be reviewed and approved by the board of directors and the general meeting. ~~The independent non-execute directors and the sponsors or the independent financial advisor shall make explicit consent and disclosure, and shall satisfy the following requirements:~~

- (I) The aggregate amount of the Excess Funds used for permanent replenishment of the working capital and repayment of bank loans during each 12-month period shall not exceed 30% of the total Excess Funds occurring in that period;
- (II) The Company shall not to make high-risk investments such as securities investment and derivative transactions or provide financial assistance to others other than the holding subsidiaries within twelve months after replenishment of the working capital using the Excess Funds; ~~The Company shall make a clear undertaking in the announcement.~~

~~The Company shall make clear undertakings in this regard in its announcements.~~

Chapter 4 Changes in the Use of Funds

Article 22 The Funds of the Company shall be used for the purposes listed in the Prospectus or other public offering documents. If the Company changes the use of the Funds listed in the Prospectus or other public offering documents, it shall, in addition to performing the review and approval procedures in accordance with the provisions of Article 13 of this system, be subject to the deliberation and approval of the general meeting.

Article 23 The Company shall be deemed to have changed the use of Funds if:

- (I) The original Project is cancelled or terminated and a new one is implemented;
- (II) The entity implementing the Project changes (except that the entity changes between the Company and its subsidiaries);
- (III) The Project is to be implemented in a different way;
- (IV) Any other circumstance occurs that a relevant Shenzhen Stock Exchange determines to be a change in the use of the Funds.

Article 24 The Company shall scientifically and prudently select the new investment Project, conduct feasibility analysis of the new Project, ensure that the Project has good market prospect and profitability and can effectively prevent investment risks and improve the efficacy of the use of the Funds.

Article 25 If the Company intends to turn a Project into a joint venture, it shall consider carefully the necessity of the joint venture on the basis of a full understanding of the basic information of the other party or parties to the joint venture, and in case of establishing a joint venture, the Company shall be a controlling shareholder of the joint venture to ensure effective control of the Project.

Article 26 If the Company is to change the location of a Project, the change shall be deliberated and approved by the board of directors and announced timely after such approval. The announcement shall state the change, the causes thereof, the impact on the implementation of the Project and the opinion issued by the sponsor or independent financial advisor on the change.

Chapter 5 Administration and Supervision of the Use of Funds

Article 27 The Company shall truthfully, accurately and completely disclose the actual use of the Funds. The board of directors shall continuously monitor the actual management and use of the raised funds, and conduct a comprehensive check on the progress of the Projects every half year, issue a half-year special report and a special annual report on the deposit and use of the Funds, and disclose the same with the regular report until the Funds are used up and there is no use of the Funds during the reporting period.

In case the actual investment progress of a Project differs from the investment plan, the Company shall explain the causes therefor in detail. In case the difference between the annual actually used amount of the Funds in the investment project and the estimated amount of the Funds to be used as disclosed in the latest investment plan exceeds 30%, the Company shall adjust the investment plan of the Funds and disclose, among others, the latest annual investment plan of the Funds, the current actual progress of the investment, the expected annual investment plan after adjustment and the reasons for changes in the investment plan in a special report of the deposit and use of raised funds and regular reports.

Article 28 If the Company uses the Funds in the current year, it shall engage an accounting firm to conduct a special audit on the use of the Funds such as the actual investment projects, the actual investment amount, the actual investment time and the completion degree of the projects while conducting the annual audit and reasonably verify whether the special report issue by the board of directors has been prepared in accordance with these Rules and relevant format requirements and whether it has faithfully reflected the actual deposit and use of the Funds in the year and shall give its conclusion for the assurance. The Company shall disclose the verification conclusion in the annual special report on the deposit and use of the Funds.

In case the conclusion is “reserved”, “negative” or “no conclusion”, the board of directors shall analyze the reasons for such conclusion by the accounting firm in the assurance report, propose corrective measures and disclose such measures in the annual report.

Article 29 The sponsor or independent financial advisor shall conduct on-site inspection on the deposit and use of the Funds at least once every six months. After the end of each fiscal year, the sponsor or independent financial advisor shall issue a special verification report on, and disclose the deposit and use of, the Funds in the year. The Company shall disclose the special inspection conclusion in the annual special report on the deposit and use of the Funds.

In case the accounting firm issues an assurance report with “reserved”, “negative” conclusion or “no conclusion” regarding the deposit and use of the Funds, the sponsor or independent financial advisor shall, in its verification report, diligently analyze the reasons for such conclusion by the accounting firm and provide clear verification opinions.

The sponsor or Independent Financial Advisor shall promptly report to the stock exchange and make disclosure when listed companies and commercial banks fail to perform tripartite agreement as agreed, or when there is material irregularities or material risks in the management of the proceeds under the on-site inspection on the listed companies.

~~**Article 30** Independent non-executive directors shall pay attention to whether there is any material difference between the actual use of the Funds and the information disclosed by the Company about such use. If agreed by at least half of the independent non-executive directors, independent non-executive directors may engage an accounting firm to issue an assurance report on the deposit and use of the Funds. The Company shall actively cooperate in engaging the accounting firm to issue such report and bear the necessary expenses arising therefrom.~~

~~In the event the assurance conclusion is a “qualified conclusion”, “negative conclusion” or “unable to form a conclusion”, the Board of the Company shall conduct an analysis in respect of the reasons for the conclusion given by the certified public accountant in the assurance report, propose rectification measures and make in time disclosure.~~

Chapter 6 Supplementary Provisions

Article 31–30 If any Project is implemented by a subsidiary or any other company controlled by the Company, the Company shall procure the subsidiary or such other company to comply with these Rules.

Article 32–31 Matters uncovered in these Rules shall be executed in accordance with laws, regulations, rules and regulatory documents as well as the relevant provisions of the Articles of Association. If there are any contradictions between these Rules and the laws, regulations, rules and regulatory documents as well as the relevant provisions of the Articles

of Association, it shall be implemented in accordance with the provisions of relevant national laws and regulations, rules and regulatory documents, the listing rules of place where the shares of the Company is listed and the provisions of the Articles of Association.

Article 33-32 These Rules shall be implemented as of the date of approval by the Company's general meeting, and any amendment hereto shall be submitted to the general meeting for deliberation after approval by the board of directors.

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Note: If there is any discrepancy between the English and the Chinese versions, the Chinese version shall prevail.

Pharmaron Beijing Co., Ltd.

Rules for Implementing the Cumulative Voting Mechanism

(the “Implementing Rules”)

Chapter I. General provisions

Article 1 The Implementing Rules are hereby formulated for the purpose of further improving the corporate governance of Pharmaron Beijing Co., Ltd. (the “**Company**”) and ensuring the full exercise of the rights of all shareholders of the Company, in accordance with the relevant provisions of the relevant laws, regulations and normative documents as well as the corporate governance provisions of the Company.

Article 2 The cumulative voting mechanism referred to in the Implementing Rules refers to the Company a voting mechanism adopted for the election of two or more directors or supervisors at a shareholders’ general meeting. That is, when a shareholders’ general meeting elects directors or supervisors, each valid voting share held by a shareholder shall bear voting rights equal to the total number of directors or supervisors to be elected at such general meeting, and the voting rights held by a shareholder shall be equal to the product of the number of shares held by such shareholder and the total number of directors or supervisors to be elected. Shareholders may either use all of their voting rights to vote concentratedly for a single candidate for election as a director or supervisor, or may exercise their voting rights in a dispersed manner by voting for several candidates for election as directors or supervisors, with the election of the directors or supervisors being decided in order of the number of votes received.

Article 3 “**Directors**” referred to in these Implementing Rules include ~~non-independent and independent~~executive directors-, non-executive directors and independent non-executive directors. “**Supervisors**” referred to in these Implementing Rules specifically refers to shareholders’ representative supervisors. Employees’ representative supervisors shall be democratically elected or replaced by employees, and the relevant provisions of these Implementing Rules shall not apply to them.

Article 4 When the shareholders’ general meeting elects or replaces two or more executive Directors, or ~~non-independent~~executive Directors, or independent non-executive Directors or Supervisors, the cumulative voting mechanism shall be applied. The cumulative voting mechanism shall not be applied when the shareholders’ general meeting elects or replaces only one executive Director, or non-executive Director, or independent ~~director or independent~~non-executive Director or Supervisor, ~~and when it elects or replaces one non-independent director and one independent director at the same time.~~

Article 5 The term of office of Directors and Supervisors elected through the cumulative voting mechanism shall not be staggered, i.e., the term of office of Directors and Supervisors re-elected due to a vacancy during a term shall be for the remainder of the current term, and they shall not serve for any other term.

Article 6 The nomination of candidates for Directors and Supervisors as well as the number and structure of Directors and Supervisors to be elected at the shareholders' meeting shall comply with the provisions of the articles of association of the Company.~~Chapter II Nomination of Candidates for Directors and Supervisors~~

Chapter II Nomination of Directors and Supervisors

~~Article 6 The Board, the Supervisors Committee, and shareholders who individually or collectively hold more than 3% of the total number of the issued and outstanding voting shares may, in accordance with national laws and regulations as well as the Articles of Association and other provisions, nominate to the Board candidates for the Directors (including Independent Directors) or to Supervisors Committee candidates for Supervisors to be appointed by the shareholders' representatives.~~

~~The Board, the Supervisory Committee, and shareholders who individually or collectively hold more than 1% of the total number of issued and outstanding voting shares may nominate the candidates for independent directors to the Board in accordance with national laws and regulations and the provisions of these Articles of Association.~~

~~Article 7 The number and structure of Directors and Supervisors to be elected at the shareholders general meeting shall comply with the provisions of the articles of association. In accordance with the number of persons to be elected, based on the preliminary nominations made by shareholders and the Board who meet the nomination requirements, the Nomination Committee of the Board shall put forward a proposed list of candidates for Directors, and after a resolution of the Board has been passed, the Board shall put forward the candidates for Directors to the shareholders general meeting and submit them to the general meeting for election; and shareholders and the Supervisory Committee shall put forward a proposed list of candidates for Supervisors, and after a resolution of the Supervisory Committee has been passed, the Supervisory Committee shall put forward candidates for Supervisors to shareholders general meeting to propose candidates for Supervisors and submit them to the shareholder general meeting of for election.~~

~~Article 8 A nominator shall obtain the consent of the nominee before making a nomination. A candidate for director or supervisor shall make a written undertaking before the general meeting of shareholders that he or she agrees to accept the nomination and to disclose his or her details, undertakes that the publicly disclosed information about the candidate for director or supervisor is true and complete, and guarantees that he or she will effectively perform the duties of a director or supervisor after being elected. A candidate for independent director shall also make a statement as to the absence of any relationship between himself/herself and the Company that would affect his/her independent and objective judgment.~~

~~Article 9~~ Nominees shall submit personal details to the Board, including but not limited to: name, gender, age, nationality, educational background, work experience, part-time jobs, relationship with the nominee, and whether there are any circumstances that make him unsuitable to serve as a director. Candidates for independent directors shall also state whether they have the qualifications and independence to serve as independent directors.

~~Article~~ Upon receipt of the nominee's information, the Board or the Supervisory Committee shall carefully examine the nominee's qualifications for office in accordance with the provisions of the Company Law, and the nominees who meet the qualifications for office after the examination shall become the candidates for directorships or supervisorships and be submitted to the general meeting of shareholders for consideration in the form of a separate motion, and motions that do not comply with the regulations shall not be submitted to the general meeting for consideration, but explanations and clarifications should be given at the general meeting.

~~Article 11~~ When electing directors or supervisors through the cumulative voting mechanism, an equal number of directors or supervisors may be elected, i.e., the number of candidates for directors or supervisors shall be equal to the number of directors or supervisors to be elected; a shortfall election may also be held, i.e., the number of candidates for directors or supervisors shall be greater than the number of directors or supervisors to be elected.

~~Chapter III Voting for Candidates for Directors and Supervisors~~

Article 7~~12~~ In the event that a cumulative voting mechanism is adopted, the presiding officer of the shareholders' general meeting shall clearly inform the shareholders attending the general meeting of the adoption of the cumulative voting mechanism for the candidates for Directors or Supervisors before the shareholders' general meeting votes on the candidates for Directors or Supervisors, and that the board of Directors (the "**Board**") and the supervisory committee of the Company (the "**Supervisory Committee**") must prepare ballots suitable for the adoption of the cumulative voting mechanism. The secretary of the Board shall give instructions and explanations on the cumulative voting mechanism and the method of filling in the ballot papers.

Article 138 The election of independent non-executive Directors, ~~non-independent executive~~ Directors and executive Directors and Supervisors shall be conducted by separate voting:

(a)(i) The number of votes that each shareholder is entitled to receive for the election of independent non-executive Directors shall be equal to the product of the number of shares held by him/her multiplied by the number of independent non-executive Directors to be elected, and such votes may only be casted for the Company's independent non-executive Director candidates; In the election of Independent Directors, each shareholder is entitled to a number of votes equal to the product of the number of shares held by him/her multiplied by the number of Independent Directors to be elected, and such votes may only be cast for the candidates for Independent Directors.

~~(ii) For the election of independent non-executive Directors, each shareholder is entitled to a number of votes equal to the product of the number of shares held by him/her multiplied by the number of non-executive Directors to be elected, which votes can only be casted for the Company's non-executive Director candidates; independent directors to be elected, which votes may only be cast for the independent director candidates;~~

~~(b) For the election of non-independent directors, each shareholder is entitled to a number of votes equal to the product of the number of shares held by him/her multiplied by the number of non-independent directors to be elected, and such votes may only be cast for the non-independent director candidates;~~

~~(e)(iii) For the election of executive Directors, each shareholder shall be entitled to a number of votes equal to the product of the number of shares held by him/her multiplied by the number of executive Directors to be elected, which votes shall be casted only for the Company's executive director candidates;~~

(iv) In the election of Supervisors, each shareholder shall be entitled to a number of votes equal to the product of the number of shares held by him/her multiplied by the number of Supervisors to be elected, which votes may only be casted for the Company's Supervisor candidates.

Article 149 The number of votes in the cumulative voting mechanism shall be determined as follows:

(i) The product of the number of voting shares held by each shareholder multiplied by the number of Directors or Supervisors to be elected at the annual general meeting shall be the cumulative number of votes casted by such shareholder;

(ii) In the event of multiple rounds of election at a shareholders' meeting, the cumulative votes of shareholders shall be recalculated on the basis of the number of Directors or Supervisors that should be elected in each round of election;

(iii) The secretary of the Board shall announce the cumulative votes of the shareholders before each round of cumulative voting, and shall immediately conduct a check when any shareholder, independent non-executive Director, Supervisor, scrutineer of the annual general meeting or witness attorney of the Company disagrees with the announced results.

~~**Article 15** When the shareholders vote, the~~**10** The following voting mechanism shall be followed when shareholders vote:

(i) When casting votes, shareholders shall indicate in the voting column for each executive Director, non-executive Director, independent non-executive Director or Supervisor candidate they elect the cumulative number of votes they cast for such executive Director, non-executive Director, independent non-executive Director or Supervisor candidate. Votes are casted only in favor of the election, and there are no dissenting votes or abstentions;

(ii) All shareholders are entitled to cast their cumulative votes separately or in total for any candidate for executive Director, non-executive Director, independent non-executive Director or Supervisor according to their own wishes (proxies shall comply with the instructions of the power of attorney of the principal); provided that the number of candidates for executive Director, non-executive Director, independent non-executive Director or Supervisor voted for shall not exceed the number of executive Director, non-executive Director, independent non-executive Director or Supervisor that should be elected, otherwise all votes cast by such shareholder shall be deemed to be abstentions;

(iii) In the event that a shareholder exercises his/her voting rights centrally or dispersedly in accordance with the provisions of Article 8 of these Implementing Rules in respect of a particular executive Director, non-executive Director, independent non-executive Director or Supervisor candidate, but the total number of votes cast exceeds the number of his/her cumulative votes, the shareholder's votes shall be invalidated and deemed to be a waiver of such vote;

(iv) If the total number of votes exercised by a shareholder in respect of a particular executive Director, non-executive Director, independent non-executive Director or Supervisor candidate or candidates in a centralized or decentralized manner; is equal to or less than the number of his/her cumulative votes, the votes of such shareholder shall be valid, and the difference between the cumulative votes and the actual number of votes cast shall be deemed to be forfeited.

~~Chapter IV Election of Candidates for Directors and Supervisors~~

Article 1611 After completion of voting, the tellers and scrutineers of the on-site shareholders' meeting shall count the votes, and the staff shall upload the results of the on-site voting to the internet voting service mechanism for consolidated counting, and after obtaining the results of the consolidated counting of the on-site voting and the internet voting, the consolidated votes obtained from the on-site voting and the internet voting for each candidate for Director or Supervisor shall be announced in the form of a resolution of the shareholders' meeting.

Article 1712 The election of Directors or Supervisors shall be determined in accordance with the order of the number of votes received by the candidates for Directors or Supervisors, provided that the total number of votes received by the elected Directors or Supervisors shall be more than one-half of the total number of voting shares held by shareholders present at the general meeting of shareholders (in terms of the number of shares that have not been accumulated).

Article 1813 If two or more candidates receive the same total number of votes and such total number of votes is the least among those to be elected, and if the election of all of them will result in the election of more than the number of persons to be elected, a second round of election shall be held at such shareholders' general meeting in accordance with the prescribed

procedures in respect of the candidates for Directors and Supervisors who have the same total number of votes as aforesaid, and in the event that the second round of election fails to determine the persons to be elected, a separate election shall be held at next shareholders' general meeting of the Company.

Article 1914 If the number of Directors or Supervisors elected is less than the number of Directors or Supervisors to be elected, and the number of all elected Directors or Supervisors of the Company is less than the statutory minimum as stipulated in the Company Law of the People's Republic of China or less than two-thirds of the number of the members of the Board or the Supervisory Committee as stipulated in the articles of association of the Company, then there shall be a second round of election for the candidates for re-election of the non-elected Directors or Supervisors; and in the event that the aforesaid requirements are not yet met after the second round of election the shareholders' general meeting shall be convened again within ~~two months~~sixty (60) days after the conclusion of this general meeting to elect the absent Directors or Supervisors.

Chapter V. Bylaws

~~**Article 18** When using the proceeds to make investments, it shall comply with national laws and regulations, applicable normative documents, this mechanism and this "Proceeds Management Policy".~~

Article 1915 The Implementing Rules shall be implemented ~~from the date of the approval~~only after it has been approved by the shareholders' general meeting, ~~general meeting of shareholders~~, and the initial public offering and listing on the ChiNext Board, and in the event of any amendment to the rules, the Board shall ~~propose a revised plan for consideration and approval by the shareholders' general meeting, which shall only become effective from the date of approval by the shareholders' general meeting~~and the same shall apply when it is amendedupon any amendment.

Article 2016 Matters not covered in the Implementing Rules shall be implemented in accordance with the ~~Company Law, the Company Statute and the relevant laws, administrative regulations and departmental rules of the State~~relevant laws, regulations, rules, standardized documents and the articles of association of the Company; if the Implementing Rules conflict with any relevant laws, regulations, rules, standardized documents or the articles of association of the Company, they shall be implemented in accordance with the laws, regulations, rules, standardized documents and the articles of association of the Company in force at that time.

Article 2117 The terms "above" and "within" in this rule include the present number; the terms "over", "less than" or "more than" does not include this number.

Article 2218 The Implementing Rules are subject to interpretation of the Board.

(No text below)

NOTICE OF ANNUAL GENERAL MEETING

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Pharmaron Beijing Co., Ltd.

康龍化成(北京)新藥技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3759)

NOTICE OF THE ANNUAL GENERAL MEETING OF 2023

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of 2023 (the “**2023 AGM**”) of Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司) (the “**Company**”) will be held at Paris Hall, 3/F, Pullman Beijing South, No. 12 Ronghua South Road, Beijing Economic and Technological Development Area, Daxing District, Beijing, the PRC on Thursday, June 6, 2024 at 1:30 p.m. for the purposes of considering and, if deemed appropriate, approving the following resolutions. In this notice, unless the context otherwise requires, capitalized terms and used herein shall have the same meanings as defined in the Company’s circular (the “**Circular**”) dated May 14, 2024.

ORDINARY RESOLUTIONS

1. Work Report of the Board of Directors for the year 2023.
2. Work Report of the Supervisory Committee for the year 2023.
3. Financial Statements for the year 2023.
4. 2023 Profit Distribution.
5. 2023 Annual Report’s full text and report summary and 2023 Annual Results Announcement.
6. Remuneration of the Directors for the year 2024.
7. Remuneration of the Supervisors for the year 2024.
8. Foreign Exchange Hedging Quota for the year 2024.
9. Amendments to the Independent Non-Executive Directors Working Policy.
10. Amendments to the Related Party/Connected Transactions Management Policy.

NOTICE OF ANNUAL GENERAL MEETING

11. Amendments to the External Guarantee Management Policy.
12. Amendments to the External Investment Management Policy.
13. Amendments to the Special Storage and Use of Proceeds Management Policy.
14. Amendments to the Rules for Implementing the Cumulative Voting Mechanism.

SPECIAL RESOLUTIONS

15. Guarantees Quota for the year 2024.
16. Grant of General Mandate to Issue H Shares.
17. Grant of Repurchase Mandate in relation to the H Shares.
18. First Increase in Registered Capital and First Amendments to the Articles of Association by virtue of the First Increase in Registered Capital.
19. Second Increase in Registered Capital and Second Amendments to the Articles of Association by virtue of the Second Increase in Registered Capital.
20. Amendments to the Rules of Procedure for the General Meetings.
21. Amendments to the Rules of Procedure for the Board Meetings.
22. Amendments to the Rules of Procedure for the Supervisory Committee.

CLOSURE OF REGISTER OF MEMBERS

H Shareholders who intend to attend the 2023 AGM are required to deposit the share certificates accompanied by relevant transfer documents at the Company's H Shares Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, May 31, 2024. H Shareholders whose names appear on the register of members of the Company on Monday, June 3, 2024 shall be entitled to attend and vote at the 2023 AGM. The register of members of the Company will be closed from Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which period no transfer of Shares will be registered.

By order of the Board
Pharmaron Beijing Co., Ltd.
康龍化成(北京)新藥技術股份有限公司
Dr. Lou Boliang
Chairman

Beijing, the PRC
May 14, 2024

As at the date of this notice, the Board of Directors comprises Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei as executive Directors; Mr. Hu Baifeng and Mr. Li Jiaqing as non-executive Directors; Ms. Li Lihua, Mr. Zhou Qilin, Mr. Tsang Kwan Hung Benson and Mr. Yu Jian as independent non-executive Directors.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) The register of members of the Company will be closed for the purpose of determining Shareholders' entitlement to attend the 2023 AGM from Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which period no transfer of Shares will be registered. In order to attend the 2023 AGM, H Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders) no later than 4:30 p.m. on Friday, May 31, 2024 to complete registration. The H shareholders listed on the register of the Company on Monday, June 3, 2024 shall have the right to attend and vote at the 2023 AGM.
- (2) Subject to the approval of the resolution regarding the declaration of dividends at the 2023 AGM for 2023, dividends will be paid to the Shareholders whose names appear on the register of members of the Company after the close of the market on Monday, July 8, 2024. The register of members of the Company will be closed from Tuesday, July 2, 2024 to Monday, July 8, 2024 (both days inclusive), during which period no transfer of shares will be registered. In order for the holders of H Shares of the Company to qualify for receiving the final dividends, but no transfer documents have been registered, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, June 28, 2024.
- (3) The Company shall duly despatch and publish the circular and form of proxy of shareholders of the 2023 AGM. Any shareholder of the Company ("**Shareholder**") who intends to appoint a proxy shall refer to the Circular, notice of 2023 AGM and H Share Class Meeting, forms of proxy of the Company which were published on the website of The Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") and the Company's website and dispatched to the relevant shareholders.
- (4) All votes of resolutions at the 2023 AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.pharmaron.com) in accordance with the Listing Rules.
- (5) Any shareholders entitled to attend and vote at the 2023 AGM can appoint one or more proxies to attend and vote at the 2023 AGM on his/her behalf. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and type of shares in respect of which each proxy is so appointed.
- (6) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the shareholder or his/her/its attorney who has been authorized in writing. If the shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the shareholder, the power of attorney or other authorization document shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the H Shares 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 appointed for holding the 2023 AGM or any adjournment thereof (i.e. 1:30 p.m. on Wednesday, June 5, 2024 (Hong Kong time)) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (7) Shareholders shall produce their identification documents when attending the 2023 AGM.
- (8) If a proxy attends the 2023 AGM on behalf of a shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specifies the date of its issuance. If a representative of a corporate shareholder attends the 2023 AGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or notarized copy of any authorization documents issued by such corporate shareholder.
- (9) The 2023 AGM is expected to last for half a day. Shareholders who attend the 2023 AGM (in person or by proxy) shall bear their own traveling, accommodation and other expenses.

NOTICE OF ANNUAL GENERAL MEETING

(10) The contact of the Company:

Address: Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司)
6 Tai-He Road, Economic Technological Development Area, Beijing, the PRC

Postal Code: 100176

Tel: 86 010-57330087

Contact Person: LI Shing Chung Gilbert

Fax: 86 010-57330087

(11) Further details of the resolutions are set out in the Circular.

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2024

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Pharmaron Beijing Co., Ltd.

康龍化成(北京)新藥技術股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3759)

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2024

NOTICE IS HEREBY GIVEN THAT the first H Share Class Meeting of 2024 (the “**H Share Class Meeting**”) of Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司) (the “**Company**”) will be held at Paris Hall, 3/F, Pullman Beijing South, No. 12 Ronghua South Road, Beijing Economic and Technological Development Area, Daxing District, Beijing, the PRC after the conclusion of the Annual General Meeting of 2023 to be held on Thursday, June 6, 2024 at 1:30 p.m. for the purposes of considering and, if deemed appropriate, approving the following resolutions. In this notice, unless the context otherwise requires, capitalized terms and used herein shall have the same meanings as defined in the Company’s circular (the “**Circular**”) dated May 14, 2024.

SPECIAL RESOLUTIONS

1. First Increase in Registered Capital and First Amendments to the Articles of Association by virtue of the First Increase in Registered Capital.
2. Second Increase in Registered Capital and Second Amendments to the Articles of Association by virtue of the Second Increase in Registered Capital.
3. Grant of Repurchase Mandate in relation to the H Shares.

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2024

CLOSURE OF REGISTER OF MEMBERS

H Shareholders who intend to attend the H Share Class Meeting are required to deposit the share certificates accompanied by relevant transfer documents at the Company's H Shares Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, May 31, 2024. H Shareholders whose names appear on the register of members of the Company on Monday, June 3, 2024 shall be entitled to attend and vote at the 2023 AGM. The register of members of the Company will be closed from Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which period no transfer of Shares will be registered.

By order of the Board
Pharmaron Beijing Co., Ltd.
康龍化成(北京)新藥技術股份有限公司
Dr. Lou Boliang
Chairman

Beijing, the PRC
May 14, 2024

As at the date of this notice, the Board of Directors comprises Dr. Lou Boliang, Mr. Lou Xiaoqiang and Ms. Zheng Bei as executive Directors; Mr. Hu Baifeng and Mr. Li Jiaqing as non-executive Directors; Ms. Li Lihua, Mr. Zhou Qilin, Mr. Tsang Kwan Hung Benson and Mr. Yu Jian as independent non-executive Directors.

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2024

Notes:

- (1) All votes of resolutions at the H Share Class Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.pharmaron.com) in accordance with the Listing Rules.
- (2) Any shareholders entitled to attend and vote at the H Share Class Meeting can appoint one or more proxies to attend and vote at the H Share Class Meeting on his/her behalf. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and type of shares in respect of which each proxy is so appointed.
- (3) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the shareholder or his/her/its attorney who has been authorized in writing. If the shareholder is a corporation, the form of proxy shall be affixed with the corporation’s seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the shareholder, the power of attorney or other authorization document shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the H Shares 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 appointed for holding the H Share Class Meeting (i.e. 1:30 p.m. on Wednesday, June 5, 2024 (Hong Kong time)) or any adjournment thereof in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (4) Shareholders shall produce their identification documents when attending the H Share Class Meeting.
- (5) If a proxy attends the H Share Class Meeting on behalf of a shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specifies the date of its issuance. If a representative of a corporate shareholder attends the H Share Class Meeting, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate shareholder.
- (6) The H Share Class Meeting is expected to last for half a day. Shareholders who attend the H Share Class Meeting (in person or by proxy) shall bear their own traveling, accommodation and other expenses.
- (7) The contact of the Company:

Address: 6 Tai-He Road, Economic Technological Development Area, Beijing, the PRC
Pharmaron Beijing Co., Ltd. (康龍化成(北京)新藥技術股份有限公司)

Postal Code: 100176
Tel: 86 010-57330087
Contact Person: LI Shing Chung Gilbert
Fax: 86 010-57330087
- (8) Further details of the resolutions are set out in the Circular.