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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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Luzhu Biotechnology Co., Ltd., you should at once hand this circular, together with the enclosed 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.

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Beijing Luzhu Biotechnology Co., Ltd.
北京綠竹生物技術股份有限公司

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

(Stock Code: 2480)

- (1) 2023 ANNUAL REPORT**
- (2) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**
- (3) WORK REPORT OF THE SUPERVISORY BOARD FOR 2023**
- (4) WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2023**
- (5) PROFIT DISTRIBUTION PLAN FOR 2023**
- (6) 2023 AUDITED ACCOUNT**
- (7) PROPOSED FINANCIAL BUDGETS FOR 2024**
- (8) PROPOSED RE-APPOINTMENT OF AUDITORS FOR 2024**
- (9) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE H SHARES**
- (10) APPLICATION FOR CREDIT FACILITIES FROM FINANCIAL INSTITUTIONS AND PROVISION OF GUARANTEES**
- (11) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ADOPTION OF AMENDED ARTICLES OF ASSOCIATION**
- AND**
- (12) NOTICE OF 2024 ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Beijing Luzhu Biotechnology Co., Ltd. to be held at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m. is set out in this circular and being despatched to the Shareholders.

A notice convening the AGM to be held at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m. is set out in this circular and the form of proxy is also enclosed hereto. Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to Tricor Investor Services Limited, the H share registrar of the Company in Hong Kong, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 24 hours before the time appointed for holding the AGM (i.e. not later than 10:00 a.m. on Tuesday, June 11, 2024 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.luzhubiotech.com).

May 16, 2024

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DEFINITIONS

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

“Amended Articles of Association”	the amended articles of association of the Company having incorporated and consolidated all Proposed Amendments
“Annual General Meeting” or “AGM”	annual general meeting of the Company to be held at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 74 to 78 of this circular, or any adjournment thereof
“Articles of Association”	articles of association of the Company currently in force (as amended, supplemented or otherwise modified from time to time)
“Board”	board of Directors
“China” or “PRC”	the mainland of the People’s Republic of China, for the purpose of this circular and geographical reference only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Civil Code of the PRC”	the Civil Code of the People’s Republic of China (《中華人民共和國民法典》)
“Company” or “Luzhu Biotechnology”	Beijing Luzhu Biotechnology Co., Ltd., a joint stock company established in the PRC with limited liability on July 19, 2013, H Shares of which are listed on the Main Board of the Stock Exchange
“Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法) as amended, supplemented or otherwise modified from time to time, which was lately amended on October 26, 2018 to take effective on the same date
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise refers to Mr. KONG Jian, Ms. Zhang Yanpin and Hengqin Luzhu LP

DEFINITIONS

“Director(s)”	director(s) of the Company
“Group”	Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the ordinary share capital of our Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong Dollars
“H Shareholders(s)”	holder(s) of H Shares
“Hengqin Luzhu LP”	Zhuhai Hengqin Luzhu Enterprise Management Partnership (Limited Partnership) (珠海橫琴綠竹企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on January 14, 2021, and an employee incentive platform of the Group
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares (including securities convertible into Shares and any sale or transfer of treasury Shares out of treasury) of not exceeding 20% of the total number of issued shares (excluding any treasury Shares) of the Company as of the date of passing of the proposed special resolution contained in item 9 of the notice of the Annual General Meeting
“Latest Practicable Date”	May 16, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Proposed Amendments”	the proposed amendments to the Articles of Association as illustrated in Appendix II to this circular
“Prospectus”	prospectus issued by the Company dated April 25, 2023
“RMB” or “Renminbi”	Renminbi Yuan, the lawful currency of China

DEFINITIONS

“Share(s)”	ordinary shares of our Company with a nominal value of RMB1.00 each including our H Shares
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase H Shares on the Stock Exchange of not exceeding 10% of the total number of issued H shares (excluding any treasury Shares) of the Company as of the date of passing of the proposed special resolution contained in item 10 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Board”	board of supervisors of the Company
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buybacks, as published by the Securities and Futures Commission (as amended, supplemented or otherwise modified from time to time)
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024 and as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



Beijing Luzhu Biotechnology Co., Ltd. 北京綠竹生物技術股份有限公司

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

(Stock Code: 2480)

Executive Directors:
Mr. KONG Jian (*Chairman*)
Ms. ZHANG Yanping
Ms. JIANG Xianmin

Non-executive Directors:
Mr. MA Biao
Mr. KONG Shuangquan

Independent Non-executive Directors:
Mr. LEUNG Wai Yip
Mr. LIANG Yeshi
Ms. HOU Aijun

*Registered Office, Headquarters
and Principal Place of
Business in the PRC:*
No. 3 Guangtong Street
Industrial Development Zone
Tongzhou District
Beijing
PRC

*Principal Place of Business in
Hong Kong:*
5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

May 16, 2024

To the Shareholders

Dear Sir/Madam,

- (1) 2023 ANNUAL REPORT**
- (2) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**
- (3) WORK REPORT OF THE SUPERVISORY BOARD FOR 2023**
- (4) WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2023**
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- (10) APPLICATION FOR CREDIT FACILITIES FROM FINANCIAL INSTITUTIONS AND PROVISION OF GUARANTEES**
- (11) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY AND ADOPTION OF AMENDED ARTICLES OF ASSOCIATION**
- AND**
- (12) NOTICE OF 2024 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Annual General Meeting of the Company will be held at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m., the notice of which is set out on pages 74 to 78 of this circular.

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Wednesday, June 12, 2024.

2. 2023 ANNUAL REPORT

The 2023 annual report has been considered and approved by the Board, and is hereby proposed at the Annual General Meeting for consideration. The annual report has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.luzhubiotech.com) and despatched to the Shareholders on April 23, 2024 (if requested).

3. WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

In line with the requirements of the Articles of Association, the work report of the Board for 2023 has been considered and approved by the Board, and is hereby proposed at the Annual General Meeting for consideration.

4. WORK REPORT OF THE SUPERVISORY BOARD FOR 2023

In line with the requirements of the Articles of Association, the work report of the Supervisory Board for 2023 has been considered and approved by the Supervisory Board, and is hereby proposed at the Annual General Meeting for consideration.

5. WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2023

In line with the requirements of the Articles of Association, the work report of the independent non-executive Directors for 2023 has been considered and approved by the Board, and is hereby proposed at the Annual General Meeting for consideration.

6. PROFIT DISTRIBUTION PLAN FOR 2023

Based on the operating results, financial position and future development plan of the Company, the Board recommended not to distribute final dividend for 2023.

The profit distribution plan for 2023 has been considered and approved by the Board, and is hereby proposed at the Annual General Meeting for consideration.

7. 2023 AUDITED ACCOUNT

Please refer to the audited consolidated financial statements in the 2023 Annual Report for details of the audited account of the Group in 2023 for consideration.

8. PROPOSED FINANCIAL BUDGETS FOR 2024

On May 8, 2023, the H Shares were listed on the Main Board of the Stock Exchange. The H Shares were issued at an offer price of HK\$32.80 per share, and the Group received net proceeds of approximately HK\$241.6 million from the global offering of its H Shares (the “**Global Offering**”) after deduction of underwriting fees and commissions and other expenses payable by the Company in connection with the Global Offering.

LETTER FROM THE BOARD

Considering the net proceeds from the Global Offering, macro-economic situation, financial condition and business growth of the Company, the Company has formulated the financial budgets for 2024 in line with the planned use of net proceeds from the Global Offering as disclosed in the Prospectus, and such budget was approved by the Board. Details are summarized as follows:

1. approximately RMB330.0 million for research and development expenses;
2. approximately RMB20.0 million for administrative, business development and other expenses; and
3. approximately RMB120.0 million for the purchase of property, plan and equipment.

The financial budgets of the Company for 2024 is hereby proposed at the Annual General Meeting for consideration.

9. PROPOSED RE-APPOINTMENT OF AUDITORS FOR 2024

In accordance with the relevant provisions of the Articles of Association and the audit requirements of the Company, the Company proposes to re-appoint Deloitte Touche Tohmatsu as the Company's auditors for 2024 for a term of one year, with a remuneration of not more than RMB2.6 million. An ordinary resolution will be presented at the Annual General Meeting to consider and approve the re-appointment of Deloitte Touche Tohmatsu as the Company's auditors.

10. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

In order to give the Company the flexibility to issue Shares if and when appropriate, a special resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares (including securities convertible into Shares and any sale or transfer of treasury Shares out of treasury) of not exceeding 20% of the total number of issued Shares (excluding any treasury Shares) of the Company as of the date of passing of the proposed special resolution contained in item 9 of the notice of the Annual General Meeting (i.e. a total of 40,489,806 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). A special resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

11. PROPOSED GRANTING 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 Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase H Shares on the Stock Exchange of not exceeding 10% of the total number of issued H Shares (excluding any treasury Shares) of the Company as of the date of passing of the proposed special resolution contained in item 10 of the notice of the Annual General Meeting (i.e. a total of 20,244,903 Shares on the basis that the issued H share capital of the Company remains unchanged on the date of the Annual General Meeting).

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 Share Repurchase Mandate is set out in Appendix I to this circular.

12. APPLICATION FOR CREDIT FACILITIES FROM FINANCIAL INSTITUTIONS AND PROVISION OF GUARANTEES

The Group intends to apply for credit lines from financial institutions for the purposes of improving the financing efficiency of the Group and funding the business and infrastructure development of the Group. It is estimated that the credit facilities to be applied by the Group shall be no more than RMB500.0 million, and the corresponding guarantees (which may include joint liability guarantee and security, pledge, charge, lien and deposits as stipulated in the Civil Code of the PRC) to be provided by the Company (and/or its subsidiaries, where applicable) to members of the Group in aggregate shall not exceed RMB500.0 million (the “**Application for Credit Facilities and Provision of Guarantees**”). The specific amount of the credit facilities and guarantees are subject to the formal agreements to be entered into.

The Board considers that the Application for Credit Facilities and Provision of Guarantees is in the best interest of the Company and the Shareholders as a whole, as it facilitates the Group’s access to external financial resources.

While the Application for Credit Facilities and Provision of Guarantees will not constitute notifiable transactions or connected transactions of the Company under the Listing Rules, pursuant to the requirements of the Articles of Association, a special resolution will be proposed at the Annual General Meeting for the Shareholders to consider, and if thought fit, approve the Application for Credit Facilities and Provision of Guarantees and the grant of relevant authorizations to the Board (and person(s) authorized by Board) to handle matters relating thereto. Such approvals and authorizations shall be valid from the date of passing this special resolution until the conclusion of the next annual general meeting of the Company.

LETTER FROM THE BOARD

13. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated April 23, 2024. A special resolution will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve the Proposed Amendments and the adoption of the Amended Articles of Association.

On December 29, 2023, the Standing Committee of the National People's Congress ("SCNPC") issued the latest version of the PRC Company Law (《中華人民共和國公司法》) ("New PRC Company Law") (新《中華人民共和國公司法》), which include among others, changes to terms of reference of the Board and the shareholders' meeting. The New PRC Company Law will come into effect on July 1, 2024.

In view of the above, the Board proposed to make certain amendments to the existing Articles of Association for the purposes of (i) reflecting changes in the New PRC Company Law; and (ii) improving the corporate governance of the Company. (the "**Proposed Amendments**").

The full text of the Proposed Amendments, which were prepared in the Chinese language, are set out in Appendix II to this circular. The Proposed Amendments are written in Chinese without official English translation, and the English version is only for reference purposes and may be subject to clerical or translation refinements. In the event of any discrepancy between the Chinese and English version, the Chinese version shall prevail. The Proposed Amendments are subject to the approval by the Shareholders by way of special resolution at the Annual General Meeting, and shall take effect on the later of (i) the passing of the special resolution at the Annual General Meeting; or (ii) the effective date of the New PRC Company Law (i.e. July 1, 2024). Prior to the Proposed Amendments becoming effective, the existing Articles of Association shall remain valid.

14. NOTICE OF 2024 ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m. is set out on pages 74 to 78 in this circular. In order to ascertain holders of H Shares who are entitled to attend the Annual General Meeting, the register of members of holders of H Shares of the Company will be closed from Thursday, June 6, 2024 to Wednesday, June 12, 2024 (both days inclusive). H Shareholders whose names appear on the register of members of the Company on Wednesday, June 12, 2024 are entitled to attend and vote at the Annual General Meeting. Holders of H Shares who intend to attend the Annual General Meeting are required to deposit the share certificates together with the transfer documents at the H Share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Wednesday, June 5, 2024.

LETTER FROM THE BOARD

The proxy form for the AGM is enclosed in this circular. Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM carefully and to complete the enclosed proxy form in accordance with the instructions printed thereon and return to the H Share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) by hand or by post no later than 24 hours before the time appointed for convening the AGM (i.e. not later than 10:00 a.m. on Tuesday, June 11, 2024 (Hong Kong time)) or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjourned meeting(s) thereof in person if you so wish.

15. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the Annual General Meeting must be taken by poll except where the chairman of the meeting decides to allow a resolution solely in respect of a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions as set out in the notice of the Annual General Meeting will be voted on by poll. The poll results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.luzhubiotech.com upon the conclusion of the Annual General Meeting.

To the best knowledge of the Company, none of the Shareholders or their respective associates is deemed to have a material interest in any of the resolutions to be proposed at the Annual General Meeting, and therefore no Shareholder is required to abstain from voting on any of the resolutions.

16. RECOMMENDATION

The Directors consider that all matters proposed to be approved at the AGM are in the interests of the Group and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the resolution(s) to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
Beijing Luzhu Biotechnology Co., Ltd.
Mr. KONG Jian
Chairman and Executive Director

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 resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As of the Latest Practicable Date, the issued share capital of the Company comprised 202,449,032 H Shares.

Subject to the passing of the special resolution set out in item 10 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no H Shares will be allotted, issued or repurchased on or prior to the date of the Annual General Meeting, i.e. being 202,449,032 H Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 20,244,903 H Shares, representing 10% of the total number of H Shares in issue (excluding any treasury Shares) as of the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Shares repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be. For the avoidance of doubt, the proceeds from the Global Offering will not be used to fund any repurchase of Shares under the Share Repurchase Mandate.

4. IMPACT OF SHARE REPURCHASE

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 accounts contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share 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. STATUS OF REPURCHASED H SHARES

The Company intends to hold the H Shares repurchased as treasury Shares. The Directors confirm that holder(s) of the treasury Shares will abstain from voting on matters that require Shareholders' approval under the Listing Rules.

6. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from May 8, 2023 (the date of listing of the Shares on the Stock Exchange) up to and including the Latest Practicable Date were as follows:

2023	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
May (Listing on May 8, 2023)	31.60	16.14
June	40.00	27.70
July	39.60	29.50
August	42.00	28.20
September	41.00	29.85
October	37.90	31.55
November	39.30	28.75
December	38.20	23.95
 2024		
January	31.95	23.95
February	28.80	20.35
March	24.00	17.00
April	28.30	18.00
May (<i>up to the Latest Practicable Date</i>)	28.20	24.90

7. GENERAL

To the best of their knowledge 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 of the H Shares to the Company in the event that the granting of the Share 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 of the H Shares to the Company, or that they have undertaken not to sell any of the H Shares held by them to the Company in the event that the granting of the Share Purchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase H Shares pursuant to the Share Purchase Mandate in accordance with the Listing Rules and the applicable laws of the PRC.

The Company has confirmed that neither the explanatory statement nor the proposed Share repurchase has any unusual features.

8. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Purchase 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 of the Latest Practicable Date, the Controlling Shareholders of the Company, namely Mr. KONG Jian, Ms. ZHANG Yanping and Hengqin Luzhu LP, collectively owned 90,802,013 H Shares, representing approximately 44.85% of the total number of Shares in issue as of the Latest Practicable Date. In the event that the Share Repurchase Mandate is exercised in full and assuming that there is no change in (i) the number of Shares held by the Controlling Shareholders, and (ii) the total number of Shares in issue, the shareholding of the Controlling Shareholders will be increased to approximately 49.84% of the reduced total number of Shares in issue immediately after the exercise in full of the Share Repurchase Mandate. Such exercise of the Share Repurchase Mandate in full may give rise to an obligation on the Controlling Shareholders to make a mandatory offer under Rule 26 of the Takeovers Code, because they will be regarded as having acquired voting rights exceeding the 2% creper.

However, the Directors have no present intention to exercise the Share Repurchase Mandate to repurchase H Shares to the extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of H Shares pursuant to the Share Repurchase Mandate.

In addition, in exercising the Share Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

9. SHARE REPURCHASE MADE BY THE COMPANY

During the period from May 8, 2023 (the date of listing of the Shares on the Stock Exchange) up to the Latest Practicable Date, the Company had not repurchased any of the H Shares (whether on the Stock Exchange or otherwise).

The English version of this Appendix is an unofficial translation of its Chinese version prepared for reference only. In addition, certain amendments to the Articles pertain to the Chinese version of the Articles only and do not affect the English version (and vice versa). In case of any discrepancy between the two versions, the Chinese version shall prevail.

Beijing Luzhu Biotechnology Co., Ltd.

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

Articles of Association

~~(Applicable after the issuance of H shares)~~

(Considered and approved by the ~~first 2024 annual~~ extraordinary general meeting of the Company ~~in 2023 on 10-12 April~~ June 2023)

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Beijing Luzhu Biotechnology Co., Ltd.**Articles of Association****Chapter 1 General Provisions**

Article 1 In order to safeguard the legitimate rights and interests of Beijing Luzhu Biotechnology Co., Ltd. (hereinafter referred to as “**Company**” or “the **Company**”), its shareholders and creditors and to regulate the organisation and conduct of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “**Company Law**”), the “**Securities Law**” of the People’s Republic of China (hereinafter referred to as the “**Securities Law**”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (hereinafter referred to as the “**Trial Administrative Measures**”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**SEHK Listing Rules**”) (including the interpretations, explanations and amendments to the “SEHK Listing Rules” published by The Stock Exchange of Hong Kong Limited from time to time) and other relevant laws and regulations, and with reference to the “Guidelines for the Articles of Association of Listed Companies” (2022 Revision) (the “**Guidelines for the Articles of Association of Listed Companies**”).

Article 2 The Company is a joint stock company with limited liabilities established in accordance with the “Company Law” and other laws, regulations and regulatory documents.

The Company was established by way of promotion (overall conversion of limited liability company); it is registered with Tongzhou District Administration for Market Regulation of Beijing Municipality and obtained a business licence with the unified social credit identifier of 911101128024464342.

Article 3 The Company obtained the approval from the China Securities Regulatory Commission (hereinafter referred to as “**CSRC**”) on 11 November 2022 in relation to the application for initial public offering of overseas listed foreign shares (H shares) and “**full circulation**” of domestic unlisted shares. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as “**SEHK**”) on 8 May 2023. The Company as approved issues not more than 11,943,800 overseas listed shares (of which 1,557,800 shares are to be issued pursuant to the exercise of the over-allotment option) with a nominal value of RMB1 each, all of which shall be ordinary shares.

Article 4 The registered name of the Company

Chinese name: 北京綠竹生物技術股份有限公司

English name: Beijing Luzhu Biotechnology Co., Ltd.

Article 5 The Company's domicile: No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing Municipality; Postal Code: 101113.

Article 6 The registered capital of the Company is RMB202,449,032 (if the over-allotment option is exercised in full, then the registered capital of the Company shall be RMB204,006,832).

Article 7 The Company is a joint stock company with limited liabilities in perpetual existence.

Article 8 The chairman of the board of directors shall be the legal representative of the Company.

Article 9 All of the assets of the Company are divided into shares of equal value, the shareholders shall be liable to the Company to the extent of the shares they have subscribed for and the Company shall be liable for the debts of the Company to the extent of all its assets.

Article 10 These Articles of Association shall, from the date on which it becomes effective, become a legally binding document regulating the organisation and conduct of the Company, the rights and obligations between the Company and its shareholders, and the rights and obligations between the shareholders **inter se**, and a legally binding document over the Company, its shareholders, directors, supervisors and senior management personnel. Pursuant to the Articles of Association, shareholders may sue shareholders, shareholders may sue directors, supervisors, general managers and other senior management personnel of the Company, shareholders may sue the Company, and the Company may sue its shareholders, directors, supervisors, general managers and other senior management personnel.

Article 11 Senior management personnel as referred to in these Articles of Association shall refer to the general manager, deputy general manager, financial controller and secretary to the board of directors of the Company.

“**General manager**” referred to in these Articles of Association shall be the “**Manager**” as defined in the “Company Law”.

Article 12 The Company establishes an organization of the Communist Party and carries out activities thereof in accordance with the provisions of the Constitution of the Communist Party of China. The Company provides necessary conditions for the activities of the party organisation.

Chapter 2 Objectives and Scope of Business

Article 13 The business objectives of the Company are: the Company shall be innovation-oriented, focus on the research and development of high-tech pharmaceutical products that are exclusive in the market, adhere to the development direction of independent development and production as well as the product development path of “**serialisation and diversification**”, develop and produce a variety of biological products and diagnostic supplies that are suitable for the needs of disease prevention and treatment in domestic and international market, and combine the Company’s own strengths to achieve the state of “having our dedications while understanding what we will not go for”. The Company is committed to improving the quality of physical fitness of human being and strives to provide the society with high quality pharmaceutical products at the lowest price.

Article 14 As is registered in accordance with the law, the business scope of the Company are: technology development, transfer and service of biological products, pharmaceuticals, diagnostic reagents and medical devices; information consultation on biotechnology; sales of: immunological reagents and experimental instruments (market entities shall choose their own business projects and carry out business activities in accordance with the law; for items that are subject to approval in accordance with the law, business activities shall be carried out in accordance with the approved content after approval by the relevant departments; business activities shall not be engaged in items that are prohibited and restricted by national and municipal industrial policies.).

Chapter 3 Shares

Section 1 Issuance of Shares

Article 15 The stock of the Company shall take the form of share certificates. Share certificates of the Company shall be in registered form. Share certificates of the Company shall contain, in addition to those matters provided in the “Company Law”, such other matters as may be required by the stock exchange on which the Company’s shares are listed.

Overseas listed shares issued by the Company may take the form of an overseas stock deposit receipt or other derivations of share certificate in accordance with the law of the place where the Company’s shares are listed as well as the practice of the registration and depositary of securities. Where the Company’s share capital includes shares carrying no voting rights, the phrase “non-voting” shall be added to the name of such shares. Where the share capital includes shares carrying different voting rights, the phrase “restricted voting rights” or “limited voting rights” shall appear in the name of each class of shares (other than those with most favourable voting rights).

Article 16 Shares of the Company shall be issued in an open, equitable and fair manner and every share of the same class shall carry the same rights.

Shares of the same class issued at the same time shall be issued on the same terms and at the same price per share; a same price shall be paid for each share subscribed by any entity or individual.

Article 17 The shares issued by the Company shall be denominated in RMB with a par value of RMB1.00 per share. The RMB referred to in the preceding paragraph shall refer to the legal tender of the People’s Republic of China.

Article 18 The Company’s overseas listed shares that are listed on SEHK shall be referred to as H shares. Shares issued by the Company which are not listed on domestic or overseas stock exchanges are referred to as unlisted shares. After the overseas issuance and listing of shares by the Company, shareholders holding unlisted Company’s shares may convert their unlisted shares into overseas listed shares and list and trade such shares on the overseas stock exchange, if permitted by relevant laws, administrative regulations and departmental rules. The aforesaid shares shall also comply with the regulatory procedures, rules and requirements of the domestic and overseas securities markets when listed and traded on the overseas stock exchange. The conversion of the aforesaid unlisted shares into overseas listed shares and listing and trading of such shares on the overseas stock exchange is not subject to the approval of a shareholders’ general meeting.

Of the shares issued by the Company, unlisted shares shall be centrally registered and deposited with domestic securities registration and settlement institutions, and matters such as the registration and settlement arrangements for overseas listed shares shall be governed by the regulations of the place where the Company’s shares are listed.

Article 19 The promoters of the Company and their number of shares subscribed, the percentage of shareholding, the method of capital contribution and the time of contribution are as follows:

Name of the promotor	Number of shares subscribed	Method of capital contribution	Time of funding
Kong Jian	33,550,000	shares converted from net assets	–
Zhang Yanping	19,250,000	shares converted from net assets	–
Jiang Xianmin	2,200,000	shares converted from net assets	–
	<hr/>		
Total	<u>55,000,000</u>		–

~~Article 20 Upon completion of the initial public offering of H shares, assuming the over-allotment option is not exercised, the capital structure of the Company on the listing date will be: comprised of 202,449,032 ordinary shares, comprising 59,729,296 unlisted shares and 142,719,736 H shares; the registered capital of the Company on the listing date will be RMB202,449,032; after the exercise of the over-allotment option, the capital structure of the Company will be: 204,006,832 ordinary shares, comprising 59,729,296 unlisted shares and 144,277,536 H shares~~ all of which are H shares.

~~Article 21 The Company or any subsidiary of the Company (including an affiliate of the Company) shall not give any financial assistance in the form of a grant, advance, guarantee, compensation or loan to a person who is purchasing or proposing to purchase shares in the Company~~ is not permitted to offer the grant, loan, guarantee, or other financial assistance to any person that acquires the shares of the Company or its parent company, except for the employee shareholding scheme adopted by the Company.

Section 2 Increase, Decrease and Repurchase of Shares

Article 22 The Company may, in accordance with the needs of its business operation and development and in accordance with the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, increase its capital by separate resolutions of the shareholders' general meeting in the following manner:

- (1) public offering of shares;
- (2) non-public offering of shares;
- (3) bonus issue to existing shareholders;
- (4) conversion of funds in the capital common reserve of the Company to share capital;
- (5) other means as stipulated by laws and administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and as is approved by the CSRC.

Article 23 The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the procedures set out in the "Company Law", "SEHK Listing Rules" and other relevant regulations, as well as the Articles of Association.

Article 24 The Company shall not buy back its own shares, except in any one of the following circumstances:

- (1) for the reduction of the Company's registered capital;
- (2) mergers with other companies holding the Company's shares;

- (3) use of shares in the employee shareholding scheme or equity incentive;
- (4) shareholders who object to resolutions of the shareholders' general meeting on merger or division of the Company requesting the Company to buy back their shares;
- (5) use of shares for conversion of corporate bonds issued by the Company that could be converted into its share certificates;
- (6) when it is necessary for the Company to preserve its value and its shareholders' interest.

Article 25 The Company may acquire its own shares by means of public centralised trading or other means that are approved by laws, administrative regulations, the CSRC and the stock exchange of the place where the Company's shares are listed and shall comply with the provisions of applicable laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed. If the Company acquires its own shares in the circumstances specified in paragraphs 1(3), (5) and (6) of Article 24 of these Articles of Association, it shall do so through public centralised trading.

Article 26 If the Company acquires its own shares under the circumstances set out in paragraphs 1(1) and (2) of Article 24 of these Articles of Association, the acquisition shall be resolved by a shareholders' general meeting; if the Company acquires its own shares under the circumstances set out in paragraphs 1(3), (5) and (6) of Article 24 of these Articles of Association, the acquisition ~~may, in accordance with the provisions of these Articles of Association or the authorization of the shareholders' general meeting,~~ shall be resolved at a meeting of the Board of Directors at which more than two-thirds of the Directors are present without submission to the shareholders' general meeting for consideration. If it is otherwise provided in the securities regulatory rules of the place where the Company's shares are listed, such rules shall prevail in the premise of not violating the provisions of the "Company Law", the "Securities Law", the "Trial Administrative Measures" and the "Guidelines for the Articles of Association of Listed Companies".

After the Company acquires its own shares in accordance with the provisions of the first paragraph of Article 24 of these Articles of Association, in case of item (1), such shares shall be cancelled within ten days from the date of acquisition; in case of items (2) and (4), such shares shall be transferred or cancelled within six months; in case of items (3), (5) and (6), the number of its own shares held by the Company in aggregate shall not exceed ten per cent of the total number of issued Company's shares, and such shares shall be transferred or cancelled within three years.

Section 3 Transfer of Shares

Article 27 The Company's shares may be transferred in accordance with the law.

All transfers of H shares shall be effected by an instrument of transfer in writing in the usual or common form or in any other form acceptable to the Board of directors (including a standard form of transfer or transfer form prescribed by SEHK from time to time) and such instrument of transfer may be executed by hand only or under a valid corporate seal if the transferor or transferee is a corporation. If the transferor or transferee is a Recognised Clearing House as defined in the relevant ordinance in force from time to time under the laws of Hong Kong or its nominee(s), the instrument of transfer may be executed by hand or by machine imprint. All instruments of transfer shall be deposited at the legal address of the Company or at such address as the Board shall from time to time designate.

Article 28 The Company does not accept its own shares as the subject of pledge.

Article 29 ~~The Company's shares held by the promoters shall not be transferable within one year from the date of incorporation of the Company.~~ Shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing and trading of the Company's shares on the stock exchange. Where there are separate provisions under the laws, administrative regulations and rules, the securities regulatory rules of the place where the Company's shares are listed, and as prescribed by the CSRC regarding the transfer of the shares of the Company held by the shareholders of the listed company or the de facto controller, such provisions shall prevail.

Directors, supervisors and senior management personnel of the Company shall declare to the Company the shares held by them in the Company and the changes therein, and shall not transfer more than twenty-five per cent of the total number of shares held by them in the Company each year during their term of office; their shareholding in the Company shall not be transferred within one year from the date of listing and trading of the Company's shares. The Company's shares held by the above-mentioned personnel shall not be transferred within six months after their departure from office.

Article 30 If any of the Company's shareholders holding five per cent or more Company's shares (other than a Recognised Clearing House as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or its nominee), Directors, Supervisors, senior management personnel sell shares or other securities of an equity nature within six months after buying the same or buy shares or securities within six months after selling the same, the earnings thereof shall belong to the Company and the Board shall recover such earnings. Except for any sale of shares by a securities company holding five per cent or more Company's shares as a result of its purchase and underwriting of the untaken shares after offering and other circumstances stipulated by CSRC.

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

If the board of directors of the Company does not act in accordance with the first paragraph of this article, shareholders shall have the right to request the Board of Directors to do so within thirty days. If the board of directors of the Company fails to act within the above-mentioned period, the shareholders shall have the right to bring a lawsuit directly to a People's Court in their own name in the interest of the Company.

If the board of directors of the company does not act in accordance with the first paragraph of this article, the directors responsible shall be jointly and severally liable in accordance with the law.

Chapter 4 Shareholders and Shareholders' General Meeting

Section 1 Shareholders

Article 31 Shareholders shall enjoy rights and assume obligations in accordance with the type of shares they hold; shareholders holding the same type of shares shall enjoy equal rights and assume equal obligations.

The Company shall maintain a register of members in which the following particulars shall be recorded, or carry out shareholder registration in accordance with laws, administrative regulations, departmental rules and the "Hong Kong Listing Rules": (1) name (company's name), address (domicile), occupation or nature of each shareholder; (2) the class and number of shares held by each shareholder; (3) amount paid or payable for the shares held by each shareholder; (4) serial numbers of the shares certificate held by each shareholder; (5) date on which each shareholder is registered as a shareholder; (6) date on which each shareholder ceases to be a shareholder. The register of members shall be sufficient evidence of the holding of shares in the Company by the shareholders, except where there is evidence to the contrary. Subject to the Articles of Association and other applicable regulations, upon transfer of shares in the Company, the name (company's name) of the transferee of the shares shall be entered in the register of members as the holder of such shares.

The Company shall enter into a share custody agreement with the securities registrar, regularly check information on major shareholders and changes in shareholdings of major shareholders (including pledges of shareholdings) to keep abreast of the shareholding structure of the Company. Transfers and transmissions of shares shall be registered in the register of members. The Company may, in accordance with the understanding or agreement reached between the competent authority of securities under the State Council and overseas securities regulators, maintain the register of H shareholders overseas and entrust the management of the register to an overseas agent. The original register of H shareholders shall be kept in Hong Kong and made available for inspection by shareholders, but the Company may suspend the

registration of shareholders (if necessary) in accordance with the applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed; a duplicate of the register of H shareholders shall be kept at the Company's domicile. The appointed overseas agent shall at all times ensure the consistency of the original and the duplicate(s) of the register of H shareholders; in case of discrepancies between the original and the duplicate(s) of the register of H shareholders, the original shall prevail.

A complete register of members shall be kept by the Company. The register of members shall consist of the following parts:

- (1) a register of members, other than those specified in subparagraphs (2) and (3) of this paragraph, which is kept at the domicile of the Company;
- (2) a register of H shareholders of the Company kept at the place of the overseas stock exchange on which its shares are listed;
- (3) such register of members as the Board may determine to be kept elsewhere for the purpose of listing of Company's shares.

The parts of the register of members shall not overlap with each other. A transfer of shares registered in one part of the register shall not be registered in another part of the register during the existence of the registration of such shares. Changes or corrections to the parts of the register shall be made in accordance with the laws of the place where the respective part of the register is kept.

Article 32 When the Company convenes a shareholders' general meeting, distributes dividends, carries out liquidation or other matters requiring the identification of shareholders, the board of directors or the convener of the shareholders' general meeting shall determine the shareholding record date in accordance with the rules of the securities regulatory rules of the place where the Company's shares are listed and the shareholders registered on the register of members following close of trading on the shareholding record date shall be entitled to the relevant rights and interests.

Article 33 Shareholders of the Company shall enjoy the following rights:

- (1) to receive dividends and other forms of profit distributions in accordance with the proportion of the shares they hold;
- (2) to request, summon, preside over, attend or appoint a proxy to attend and speak at shareholders' general meetings in accordance with the law, and exercising the corresponding voting rights (except in cases where the shareholder is required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's shares are listed);

- (3) to monitor the Company's business operations and make recommendations or queries;
- (4) to transfer, grant or pledge the shares they hold in accordance with the provisions of the law, administrative regulations and these Articles of Association;
- (5) to inspect these Articles of Association, the register of members (including the register of H shareholders), stubs of corporate bonds, minutes of shareholders' general meetings, resolutions of meetings of board of directors, resolutions of meetings of board of supervisors and financial accounting reports;
- (6) to participate in the distribution of the remaining properties of the Company in the event of its termination or liquidation in accordance with the proportion of the shares they hold;
- (7) to require the Company to purchase their shareholdings in the event of their objection to resolutions of the shareholders' general meetings concerning merger or division of the Company;
- (8) other rights prescribed by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Article 34 Shareholders who propose to inspect the relevant information referred to in the preceding Article or request any materials shall provide the Company with written related material shall provide the Company with the written documentation evidencing the type and number of shares held by the shareholder. The Company shall provide the relevant information or material as per the shareholders' request after verification of their identity.

Article 35 If the content of a resolution of the shareholders' general meeting or the board of directors of the Company violates laws or administrative regulations, shareholders shall have the right to request a People's Court to hold it invalid.

If the summoning procedure or voting method of a shareholders' general meeting or meeting of the board of directors violates laws, administrative regulations or these Articles of Association, or the content of a resolution violates these Articles of Association, shareholders shall have the right to request the People's Court to revoke the relevant resolution within sixty days from the date on which the resolution was made, provided that there is a minor defect in the procedures to convene the shareholders' general meeting or the meeting of the Board of Directors or voting methods, without causing substantial impacts on the resolution.

Any shareholder who is not notified to attend the shareholders' general meeting may, within sixty days from the date when they knew or should have known that the resolution of the shareholders' general meeting had been made, request the People's Court to revoke it, in which case, if the right of revocation is not exercised within one year from the date when the resolution was made, the right of revocation shall be extinguished.

Article 36 If a director or senior management personnel violates the provisions of laws, administrative regulations or these Articles of Association in performing duties for the Company and caused damage to the Company, shareholders who hold one per cent or more of the shares in the Company, either individually or collectively, for one hundred and eighty or more consecutive days shall have the right to request the board of supervisors in writing to institute a legal action in a People's Court; if the board of supervisors violates any law or administrative regulation or breaches the Articles of Association in performing duties for the Company and caused damage to the Company, shareholders may request the Board of directors in writing to institute a legal action in a People's Court.

If the board of supervisors or the board of directors refuses to institute legal actions after receiving a written request from the shareholder as provided for in the preceding paragraph, or if no legal actions are instituted within thirty days from the date of receipt of the request, or if the situation is urgent and failure to institute proceedings immediately would cause irreparable damage to the interests of the Company, the shareholder as provided for in the preceding paragraph shall have the right to institute proceedings directly in the People's Court in his own name and for the interests of the Company.

In the event that a third party infringes upon the lawful rights and interests of the Company and causes damage to the Company, the shareholders specified in the first paragraph of this Article may institute a legal action in a People's Court pursuant to the first two paragraphs of this Article.

Article 37 If director or senior management personnel violates the provisions of laws, administrative regulations or these Articles of Association to the detriment of the interests of shareholders, shareholders may institute a legal action in a People's Court.

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

- (1) abide by laws, administrative regulations and the Articles of Association;
- (2) to pay capital contribution as per the shares subscribed for and the method of subscription;
- (3) not to make divestment unless in the circumstances stipulated by laws and regulations;

- (4) not to abuse the rights of shareholders to the detriment of the Company or other shareholders; not to abuse the independent status of the Company as a legal person and the limited liability of shareholders to the detriment of the Company's creditors;
- (5) other obligations required by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Shareholders of the Company who abuse their shareholders' rights and thereby cause damage to the Company or other shareholders shall be liable for compensation in accordance with the laws. Where shareholders of the Company abuse the Company's independent status as a legal person and the limited liabilities 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.

Article 39 Where any shareholder who holds more than five per cent of shares with voting rights of the Company have pledged such shares, the relevant shareholder shall report to the Company in writing on the date of occurrence of such fact.

Article 40 The controlling shareholder and the actual controller of the Company shall not use their related party relationship to damage the interests of the Company. Any violation of such rule that causes damage to the Company shall be liable for compensation.

The controlling shareholder and the actual controller of the Company shall owe a duty of good faith to the Company and its public shareholders. The controlling shareholders shall exercise their rights as capital contributors in strict accordance with the law. The controlling shareholders shall not use profit distribution, asset restructuring, external investment, fund occupation, loan guarantee, etc. to damage the legitimate rights and interests of the Company and those of the public shareholders, and shall not use their control position to damage the interests of the Company and the public shareholders.

Article 41 Any shareholder whose name is entered in the register of members or any person whose name (company's name) is requested to be entered in the register of members may apply to the Company for the issuance of a new replacement share certificate in respect of such share (hereinafter referred to as the "**Relevant Share**") if the share certificate (hereinafter referred to as the "**Original Share Certificate**") is lost. Shareholders of domestic shares who have lost their share certificates and apply for the issue of replacement shall be dealt with in accordance with the relevant provisions of the "Company Law". Shareholders of overseas listed foreign shares who have lost their share certificates and apply for replacement may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of members of overseas listed foreign shares is kept.

For shareholders of overseas listed foreign shares listed in Hong Kong who have lost their share certificates and apply for replacement, the replacement of their share certificates shall comply with the following requirements:

- (1) The applicant shall submit an application in the standard form specified by the Company and attach a notarial certificate or statutory declaration document. The content of the notarial certificate or statutory declaration document shall include the reasons for the applicant's application, the circumstances of the loss of the share certificate and evidence thereof, and a statement that no other person may claim registration as a shareholder in respect of the share(s) concerned;
- (2) the Company shall not have received a statement from any person other than the applicant claiming registration as a shareholder in respect of such share(s) before deciding to issue a new replacement share certificate;
- (3) where the Company shall decide to issue a new replacement share certificate to the applicant, the Company shall publish an announcement of the intended replacement issue of new shares in a newspaper designated by the board of directors in compliance with the relevant regulations; the period of the announcement shall be 90 days and the publication shall be repeated at least once every 30 days;
- (4) before publishing the announcement of the intended replacement issue of shares, the Company shall submit a copy of the announcement to be published to the stock exchange on which it is listed and shall publish it upon receipt of a reply from such stock exchange confirming that the announcement has been displayed on the stock exchange. The period during which the company shall display such announcement on the stock exchange shall be 90 days; if the application for a replacement share certificate has not been approved by the registered shareholder of record in respect of the shares concerned, the Company shall mail a copy of the announcement to be published to such shareholder;
- (5) upon the expiry of the 90 days period for making the announcement and display as provided in subparagraphs (3) and (4) of this paragraph, if the company has not received any objection from any person to the issuance of a replacement share certificate, it may, upon application by the applicant, issue a replacement;
- (6) when the company issues a new share certificate in accordance with the provisions of this Article, it shall immediately cancel the original share certificate and register such cancellation and replacement in the register of members;
- (7) all expenses incurred by the Company for the cancellation of the original share certificate and the replacement of the new share certificate shall be borne by the applicant. The Company shall be entitled to refuse to take any action until the applicant has provided reasonable security.

Article 42 As regards the shareholders of overseas listed foreign shares, where two or more persons are registered as joint shareholders in respect of any shares, they shall be deemed to be joint owners in respect of such shares and shall be subject to the following provisions:

- (1) no more than four persons shall be registered as joint holders of any share by the Company;
- (2) all joint holders of any share shall be severally and jointly liable for all amounts unpaid on such share;
- (3) in the event of the death of one of the joint shareholders, only the survivor(s) thereof shall be deemed by the Company to be the person entitled to the shares in question, but the board of directors shall be entitled to require the survivor(s) of the joint shareholders to furnish such evidence of death as it deems appropriate for the purpose of amending the register of members;
- (4) as regards the joint holders of any share, only the joint holder whose name stands first in the register shall be entitled to receive from the Company a share certificate in respect of the share or to receive notices from the Company, and any notice served on the foregoing person shall be deemed to have been served on all the joint holders of the share; and any one of such joint holders may sign a form of proxy provided that, if more than one of such joint holders be present in person or by proxy, the vote of the joint shareholder having a higher priority, whether in person or by proxy, shall be accepted as the sole vote of the remaining joint shareholders. For this purpose, the order of priority of shareholders shall be determined by the order in which the names of the joint shareholders stand in the register of members of the Company in respect of the relevant shares.

A receipt from any one of the joint shareholders for any dividend, bonus or return of capital payable to such joint shareholders shall be deemed to be a valid receipt from such joint shareholders to the Company.

Section 2 General Provisions for the Shareholders' General Meeting

Article 43 The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

- ~~(1) to decide on the Company's business operation policy and investment plan;~~
- (2)(1) to elect and replace directors and supervisors who are not employee representatives and to decide on matters relating to the remuneration of directors and supervisors;
- ~~(3)~~(2) to consider and approve the report of the board of directors;
- ~~(4)~~(3) to consider and approve the report of the board of supervisors;

- ~~(5)~~ to consider and approve the projects of annual financial budget and final accounts of the company;
- ~~(6)~~(4) to consider and approve the Company's projects for profit distribution and loss recovery;
- ~~(7)~~(5) to resolve on the increase or reduction of the registered capital of the Company;
- ~~(8)~~(6) to resolve on the issue of corporate bonds;
- ~~(9)~~(7) to resolve on the merger, division, dissolution, liquidation or change of corporate form of the Company;
- ~~(10)~~(8) to amend these Articles of Association;
- ~~(11)~~(9) to resolve on the engagement and dismissal of the Company's accounting firm;
- ~~(12)~~(10) to consider and approve the guarantees as provided in Article 42;
- ~~(13)~~(11) to consider the purchase or sale of material assets of the Company exceeding thirty per cent of the Company's latest audited total assets within one year;
- ~~(14)~~(12) to consider and approve the change of use of proceeds;
- ~~(15)~~(13) to consider share incentive schemes and employee share ownership schemes;
- ~~(16)~~(14) to consider other matters that shall be decided by the shareholders' general meeting as stipulated in the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

The above-mentioned functions and powers of the Shareholders' general meeting shall not be exercised by the board of directors or other bodies and individuals on its behalf by way of delegation. ~~except for the above matters~~ However, the shareholders' general meeting may authorise or delegate the board of directors and/or persons authorised by the board of directors to carry out the matters it authorises or delegates, subject to the mandatory provisions of laws and regulations and the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.

For the avoidance of doubt, (1) the Board of Directors shall be authorized at the shareholders' general meeting in accordance with the Company Law, who shall have the mandate to decide on the issuance of shares not exceeding fifty per cent of the issued shares within three years, and the resolution of the Board of Directors shall be passed by more than two-thirds of all directors; however, the capital contribution in the form of non-monetary property shall be resolved by the shareholders' general meeting; the decision of the Board of

Directors to issue shares in accordance with the preceding paragraph shall result in a change in the registered capital of the Company and the number of issued shares, the amendment of the matters recorded in the Articles of Association shall not be subject to the vote of the shareholders' general meeting; (2) the Board of Directors shall be authorized at the shareholders' general meeting in accordance with the Company Law to make a resolution on the issuance of corporate bonds not exceeding thirty per cent of the Company's latest audited total assets (including the issuance of corporate bonds that are convertible into shares), and the Board of Directors may stipulate a specific conversion method for the issuance of corporate bonds that are convertible into shares; (3) the Board of Directors shall be authorized at the shareholders' general meeting in accordance with the Articles of Association, who shall have the mandate to acquire the shares of the Company under the circumstances set forth in paragraphs 1(3), (5) and (6) of Article 24 of the Articles of Association by resolution of the Board of Directors at a meeting of the Board of Directors attended by more than two-thirds of the Directors; if the Board of Directors decides to issue shares in accordance with the provisions of the foregoing paragraph, which results in the change in the registered capital of the Company and the number of issued shares, the amendment of the matters recorded in the Articles of Association shall not be subject to the vote of the shareholders' general meeting. However, in case of separate provisions as prescribed under the securities regulatory rules of the place where the Company's shares are listed in respect of the matters referred to in (1) to (3) above, such provisions shall also apply.

Article 44 The following external guarantees of the Company shall be subject to the approval of the shareholders' general meeting:

- (1) any guarantee provided by the Company and the Company's controlled subsidiaries after the total amount of external guarantees exceeds fifty per cent of the latest period of audited net assets;
- (2) any guarantee provided by the company after the total amount of external guarantees exceeds thirty per cent of the latest audited total assets;
- (3) guarantees provided by the Company in an amount exceeding thirty per cent of the Company's latest audited total assets within one year;
- (4) guarantees provided to subjects with a gearing ratio of over seventy per cent;
- (5) guarantees where the amount of a single guarantee exceeds ten per cent of the latest audited net assets;
- (6) guarantees provided to shareholders, de facto controllers and their related parties.

Directors, general managers and other senior management personnel who have violated the laws, administrative regulations or the provisions of the articles of association regarding the approval authority and consideration procedures for matters relating to external guarantees and have caused losses to the Company shall be liable for compensation and the Company may institute legal proceedings against them in accordance with the law.

Article 45 Shareholders' general meetings shall be divided into annual general meetings and extraordinary general meetings. The annual general meeting is to be held once a year and shall be held within six months after the end of the previous financial year.

Article 46 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the fact in any of the following cases:

- (1) when the number of directors is less than the number prescribed by the “Company Law” or two-thirds of the number as is provided in these Articles of Association;
- (2) when the losses of the Company that have not been made up has reached one-third of its total paid-in share capital;
- (3) when requested by shareholders who individually or collectively hold more than ten per cent of the Company’s shares;
- (4) when deemed necessary by the board of directors;
- (5) when proposed by the board of supervisors;
- (6) other circumstances as stipulated by laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the Company’s shares are listed or these Articles of Association.

If an extraordinary general meeting is convened in conjunction with the requirements of the securities regulatory rules of the place where the Company’s shares are listed, the actual date of the extraordinary general meeting may be adjusted in accordance with the progress of the approval of the stock exchange where the Company’s shares are listed (if applicable).

Article 47 The shareholders’ general meeting of the Company shall be convened at the domicile of the Company or the place specified in the notice of shareholders’ general meeting. A venue will be set for the shareholders’ general meeting and the meeting will be held in the form of an on-site meeting. The Company may also provide internet, video, telephone or other voting means to facilitate shareholders’ participation in the shareholders’ general meeting in accordance with the laws, administrative regulations, departmental rules and regulations and the securities regulatory rules of the place where the Company’s shares are listed, provided that the shareholders’ general meeting shall be legal and effective. Shareholders who attended the shareholders’ general meeting through the above-mentioned means are deemed to be present. The time and place of the on-site meeting shall be selected to facilitate shareholders’ participation. After the notice of the shareholders’ general meeting has been given, the place of the on-site meeting of the shareholders’ general meeting shall not be changed without justifiable reasons. If there is a need to change, the convener shall announce and explain the reasons at least two working days before the date of the on-site meeting.

Section 3 Summoning of Shareholders' General Meeting

Article 48 Meetings of shareholders' general meetings shall be summoned by the board of directors. The publication of notices of shareholders' general meetings (including supplementary notices) shall comply with the relevant laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 49 Independent non-executive directors shall have the right to propose to the board of directors the convening of an extraordinary general meeting. In response to a proposal by an independent non-executive director to convene an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the provisions of these Articles of Associations, provide written feedback on whether it agrees or disagrees with the convening of an extraordinary general meeting within ten days after receiving the proposal. If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days after a resolution of the board of directors is made; if the board of directors does not agree to convene an extraordinary general meeting, it will state the reasons and announce such reasons.

Article 50 The board of supervisors shall have the right to propose to the board of directors the convening of an extraordinary general meeting and shall submit the proposal in writing to the board of directors. The board of directors shall, in accordance with the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the provisions of these Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving the proposal.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days after a resolution of the Board of Directors is made, and any changes to the original proposal in the notice shall be subject to the consent of the board of supervisors.

If the board of directors does not agree to convene an extraordinary general meeting or failed to provide feedback within ten days after receiving the proposal, it shall be deemed that the board of directors is unable to perform or does not perform its duty to summon a meeting of the shareholders' general meeting, and the board of supervisors may summon and preside over the meeting on its own initiative.

Article 51 Shareholders who individually or collectively hold more than ten per cent of the company's shares shall have the right to request the board of directors to convene an extraordinary general meeting and shall submit the request in writing to the board of directors. The board of directors shall, in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within ten days after receiving the request.

If the board of directors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days after a resolution of the board of directors is made, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the board of directors does not agree to convene an extraordinary general meeting or failed to provide feedback within ten days after receiving the request, shareholders who individually or collectively hold more than ten per cent of the Company's shares shall have the right to propose to the board of supervisors that an extraordinary general meeting be convened and shall submit their request in writing to the board of supervisors.

If the board of supervisors agrees to convene an extraordinary general meeting, it shall issue a notice to convene the meeting within five days of receipt of the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the board of supervisors fails to issue the notice of shareholders' general meeting within the prescribed period, it shall be deemed that the board of supervisors would not summon and preside over the shareholders' general meeting, and shareholders who individually or collectively hold more than ten per cent of the Company's shares for more than ninety consecutive days may summon and preside over the meeting on their own initiative.

Article 52 If the board of supervisors or the shareholders have decided to summon a shareholders' general meeting on their own initiative, they shall notify the board of directors in writing and file with the securities regulatory authority of the Company's place of registration and the stock exchange on which the Company's shares are listed in accordance with the applicable regulations.

The shareholding of the summoning shareholders shall not be less than ten per cent before the announcement of the resolution of the shareholders' general meeting.

The board of supervisors or the summoning shareholder shall submit the relevant supporting documents to the securities regulatory authority of the Company's place of registration and the stock exchange on which the Company's shares are listed when giving notice of the shareholders' general meeting and when announcing the resolutions of the shareholders' general meeting, and in accordance with the applicable regulations.

Article 53 The board of directors and the secretary to the board of directors will cooperate with the shareholders' general meeting that is summoned by the board of supervisors or the shareholders on their own initiative. The board of directors will provide the register of members as at the shareholding record date.

Article 54 For shareholders' general meetings summoned by the board of supervisors or the shareholders on their own initiative, the expenses necessary for the meeting shall be borne by the Company.

Section 4 Proposals and Notices for Shareholders' General Meeting

Article 55 The content of the proposals shall fall within the scope of the functions and powers of the shareholders' general meeting, have clear topics and specific matters for resolution, and comply with the relevant provisions of laws, administrative regulations and these Articles of Association.

Article 56 When the Company convenes a shareholders' general meeting, the board of directors, the board of supervisors and shareholders who individually or collectively hold more than ~~three~~one per cent of the Company's shares shall be entitled to submit proposals to the Company.

Shareholders who individually or collectively hold more than ~~three~~one per cent of the Company's shares may make a provisional proposal and submit it in writing to the ~~convener~~Board of Directors ten days before the date of the shareholders' general meeting. The provisional proposal shall contain specific issues and specific resolutions. The ~~convener~~Board of Directors shall issue a supplementary notice of the shareholders' general meeting within two days of receipt of the proposal, announcing the content of the provisional proposal, provided that such provisional proposal is in violation of the requirements under laws, administrative regulations or the Articles of Association, or fall out of the powers of the shareholders' general meeting. As regards the publication of the supplementary notice of the shareholders' general meeting, if there are special provisions in the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail provided they do not violate the "Company Law", the "Securities Law", the "Trial Administrative Measures" and the "Guidelines for the Articles of Association of Listed Companies". If the shareholders' general meeting is required to be adjourned due to publication of a supplementary notice of shareholders' general meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the shareholders' general meeting shall be adjourned in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Except as provided for in the preceding paragraph or as provided for in the securities regulatory rules of the place where the Company's shares are listed, the convener shall not amend the proposals already specified in the notice of the shareholders' general meeting or add new proposals after the notice of the shareholders' general meeting has been issued.

Proposals not specified in the notice of shareholders' general meeting or not in compliance with the provisions of Article 55 of these Articles of Association shall not be voted on and resolved by the shareholders' general meeting.

Article 57 The convener shall notify shareholders by way of an announcement twenty-one days before the annual general meeting and the extraordinary general meeting shall be notified by way of an announcement fifteen days before the meeting.

Article 58 The notice of a shareholders' general meeting shall contain the following particulars:

- (1) the time, venue and duration of the meeting;
- (2) matters and proposals submitted for consideration at the meeting;
- (3) contain a clear statement that all shareholders are entitled to attend the shareholders' general meeting and may appoint a proxy in writing to attend and vote at the meeting, and that such proxy need not be a shareholder of the company;
- (4) the share registration date of shareholders entitled to attend the shareholders' general meeting;
- (5) name and telephone number of standing contact person for meeting services;
- (6) time and procedure for voting by internet or other means.

Full and complete disclosure of the full particulars of all proposals shall be made in the notice of shareholders' general meeting and supplementary notice. Where the matters to be discussed require the opinion of the independent non-executive directors, the opinion of the independent non-executive directors and the reasons therefor will be disclosed at the same time when the notice of shareholders' general meeting or supplementary notice is published.

Article 59 Where the shareholders' general meeting is to discuss matters relating to the election of directors and supervisors, full details of the candidates for directors and supervisors will be disclosed in the notice of the shareholders' general meeting, including at least the following particulars:

- (1) personal circumstances such as educational background, work experience and part-time employment;
- (2) whether there is a related party relationship with the Company or the Company's controlling shareholders and de facto controllers;
- (3) disclosure of the number of shares held in the Company;
- (4) whether they have been penalized by the CSRC and other relevant authorities and subject to the disciplinary actions imposed by stock exchanges.

Except for the election of directors and supervisors by cumulative voting, each candidate for director or supervisor shall be put forward by a single proposal.

Article 60 After the notice of the shareholders' general meeting is given, the shareholders' general meeting shall not be postponed or cancelled without justifiable reasons, and the proposals specified in the notice of the shareholders' general meeting shall not be cancelled. In the event of an adjournment or cancellation, the convener shall make an announcement at least two working days prior to the original date of the meeting and explain the reasons therefor. If there are special provisions in the securities regulatory rules of the place where the Company's shares are listed regarding the procedures for the adjournment or cancellation of a shareholders' general meeting, such provisions shall prevail, provided that they do not violate the "Company Law", the "Securities Law", the "Trial Administrative Measures" and the "Guidelines for the Articles of Association of Listed Companies".

Section 5 Convening of Shareholders' General Meeting

Article 61 The Board of Directors and other conveners of the Company will take necessary measures to ensure the normal order of the shareholders' general meeting. Measures will be taken to stop acts that interfere with shareholders' general meetings, causing a nuisance and violate the legitimate rights and interests of shareholders and such actions will be promptly reported to the relevant authorities for investigation and handling.

Article 62 All shareholders registered in the register of members on the share registration date or their proxies shall be entitled to attend the shareholders' general meeting, and to exercise their voting rights in accordance with the relevant laws and regulations and these Articles of Association.

A shareholder may attend a shareholders' general meeting in person or appoint one or more persons as a proxy (who may not be a shareholder of the company) to attend and vote on his behalf.

Article 63 If an individual shareholder attends the meeting in person, he/she should present his/her ID card or other valid documents or proofs that can identify him/her, as well as his/her stock account card; if he/she proxies another person to attend the meeting, he/she should present the valid ID card of the proxy and the power of attorney of the shareholder.

A corporate shareholder may be represented at the meeting by its legal representative or a representative appointed by it (as if the corporate shareholder were present in person) and exercise its rights (including the right to vote). If a legal representative attends the meeting, he/she should produce his/her identity card and valid proof that he/she is a legal representative; if a proxy attends the meeting, the proxy should produce his/her identity card and documents proving that he/she has been appointed by such corporate shareholder (except for shareholders who are a recognised clearing house as defined in the relevant ordinances in force from time to time under the laws of Hong Kong or the securities regulatory rules of the place where the shares of the company are listed (hereinafter referred to as the "**Recognised Clearing House**") or its proxy).

Where the shareholder is a Recognised Clearing House, the Recognised Clearing House may authorise such person or persons as it thinks fit to act as its representative or representatives at any shareholders' general meeting or at any meeting of any class of shareholders or at any meeting of creditors; provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised and shall be signed by an authorised officer of the Recognised Clearing House. A person so authorised may attend a meeting on behalf of the Recognised Clearing House (without production of a share certificate, notarised authorisation and/or further evidence that he is duly authorised) and exercise the same rights as if he were an individual shareholder of the Company (and enjoy the same statutory rights as other shareholders, including the right to speak and to vote).

Article 64 The power of attorney issued by a shareholder to appoint another person to attend a shareholders' general meeting shall contain the following particulars:

- (1) name of the proxy;
- (2) with or without voting rights;
- (3) instructions to vote for, against or abstain from voting on each matter to be considered that are included on the agenda of the shareholders' general meeting, respectively;
- (4) date of issuance and date of expiry of the power of attorney;
- (5) signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed or it shall be signed by a person authorized by it.

Article 65 The power of attorney should state whether the proxy may vote as he/she wishes if the shareholder does not give specific instructions.

Article 66 The power of attorney for voting shall be deposited at the domicile of the company or at such other place as may be specified in the notice convening the meeting at least 24 hours before the relevant meeting at which the proxy is to be voted, or at least 24 hours before the time designated for voting. Where a power of attorney for voting is signed by a person authorised by the principal, the power of attorney or other document authorising the signing of the power of attorney shall be notarised. The proxy form, notarised power of attorney or other authorization document shall be deposited at the Company's domicile or at such other place as may be specified in the notice summoning the meeting.

If the proxy is a legal person, its legal representative or a person authorised by a resolution of its board of directors or other decision-making body shall attend the shareholders' general meeting of the Company as a representative and exercise the rights of shareholders.

Article 67 ~~The register of meetings for those attending the meeting shall be produced by the Company. The register of meetings shall contain the names (or names of entities), identity card number, domicile or addresses, the amount of shares held or represented with voting rights, and the names (or names of entities) of proxies, etc. of those attending the meetings in accordance with the securities regulatory rules of the place where the Company's shares are listed (wherever applicable) and the applicable laws and regulations.~~

Article 68 ~~The convener and the lawyer engaged by the Company (if applicable) will jointly verify the legitimacy of the shareholders based on the register of members and register their names (company's name) and the number of shares they hold with voting rights. Registration of the meeting shall be closed before the presiding officer announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights.~~

Article 69 When a shareholders' general meeting is convened, the directors, supervisors and the secretary to the board of directors of the Company shall attend the meeting, and the General Manager and other senior management personnel shall be present at the meeting. Subject to the securities regulatory rules of the place where the Company's shares are listed, the aforementioned persons may attend or be present at the meeting via internet, video, telephone or other means with equivalent effect.

Article 70 A shareholders' general meeting shall be presided over by the chairman of the board of directors. If the chairman is unable to perform his duties or does not perform his duties, the vice-chairman (if the company has two or more vice-chairmen, the vice-chairman jointly elected by ~~more than half~~ simple majority of the directors) shall preside over the meeting, and if the vice-chairman is unable to perform his duties or does not perform his duties, a director jointly elected by a simple majority ~~more than half~~ of the directors shall preside over the meeting.

The chairman of the board of supervisors shall preside over the shareholders' general meeting summoned by the board of supervisors on its own initiative. If the chairman of the board of supervisors is unable to perform his duties or does not perform his duties, a supervisor jointly elected by a simple majority ~~more than half~~ of the supervisors shall preside over the meeting.

A shareholders' general meeting summoned by the shareholders on their own initiative shall be presided over by a representative selected by the convener.

When convening a shareholders' general meeting, in the event that the presiding officer of a shareholders' general meeting is unable to continue the meeting in violation of the rules of procedure, the shareholders' general meeting may, with the consent of a simple majority of the shareholders present at the shareholders' general meeting with voting rights, select a person to act as the presiding officer and continue with the meeting.

Article 71 The Company shall formulate the rules of procedure for shareholders' general meetings, setting out in detail the procedures for convening and voting at shareholders' general meetings, including notice, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions at meetings, minutes of meetings and the signing thereof, announcements, etc., as well as the principles of delegation of authority from the shareholders' general meeting to the Board of Directors, the content of which shall be clear and specific. The rules of procedure of the Shareholders' general meeting shall be annexed to the Articles of Association, drafted by the Board of Directors and approved by the Shareholders' general meeting.

Article 72 At an annual general meeting, the Board of Directors and the board of supervisors shall make a report to the shareholders' general meeting on their work during the past year. Each independent non-executive director shall also make a report on his or her duties.

Article 73 Directors, Supervisors and senior management personnel shall give explanations and clarifications in response to shareholders' queries and suggestions at shareholders' general meetings.

Article 74 The presiding officer of the meeting shall announce the number of shareholders and proxies attending the meeting on site and the total number of shares holding voting rights before the vote is taken. The number of shareholders and proxies attending the meeting on site and the total number of shares holding voting rights shall be based on the registration of the meeting.

Article 75 Shareholders' general meetings shall have minutes, which shall be maintained by the secretary to the board of directors.

Such minutes shall record the following particulars:

- (1) the time and place of the meeting, the agenda and the name or company's name of the convener;
- (2) the presiding officer of the meeting and the names of the directors, supervisors, general managers and other senior management personnel attending or present at the meeting;
- (3) the number of shareholders and proxies attending the meeting, the total number of shares with voting rights and the proportion of the total number of shares of the company;
- (4) the consideration process, major points of speeches and voting results of each proposal;
- (5) shareholders' queries or suggestions and the corresponding answers or explanations;

- (6) the names of the counting officers and scrutineers;
- (7) such other matters as required by these Articles of Association that shall be entered in the minutes of the meeting.

Article 76 The convener shall ensure that the minutes of the meeting are true, accurate and complete. The minutes shall be signed by the directors, supervisors, the secretary of the board of directors, the convener or his representative and the presiding officer attending the meeting. The minutes shall be kept together with the register of signatures of shareholders attending on site and the power of attorney for proxy attendance, validity information on voting by internet and other means and other validity information for a period of not less than ten years.

Article 77 The convener shall ensure that the shareholders' general meeting is held continuously until a final resolution is reached. If the shareholders' general meeting is suspended or no resolution can be made due to force majeure and other special reasons, the necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or to terminate such shareholders' general meeting outright and to make an announcement and/or report on in a timely manner in accordance with the laws, administrative regulations, departmental rules, regulatory documents or the securities regulatory rules of the place where the Company's shares are listed.

Section 6 Voting and Resolution at a Shareholders' General Meeting

Article 78 Resolutions at shareholders' general meetings are divided into ordinary resolutions and special resolutions.

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

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

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

- (1) working reports of the board of directors and the board of supervisors;
- (2) the projects in relation to profit distribution and loss recovery prepared by the board of directors;
- (3) the appointment and removal of members of the board of directors and the board of supervisors and their remuneration and payment method thereof;

~~(4) the Company's projects of annual budget and final accounts;~~

~~(5)~~(4) annual report of the Company;

~~(6)~~(5) matters other than those prescribed by laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association that shall be adopted by special resolution.

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

- (1) increase or reduction of the registered capital of the company;
- (2) division, spin-off, merger, dissolution and liquidation of the Company and change of corporate form of the Company;
- (3) amendments to these Articles of Association;
- (4) purchase or sale of material assets or guarantees to others by the Company in excess of thirty per cent of the Company's latest total audited assets within a period of twelve consecutive months;
- (5) share incentive schemes;
- (6) other matters prescribed by the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association and the rules of procedure of the shareholders' general meeting, and those matters determined by a shareholders' general meeting via ordinary resolution as having a material impact on the Company and are required to be adopted by a special resolution.

Article 81 Shareholders (including proxies) shall exercise their voting rights in line with the amount of the shares with voting rights they represent (except where they are required to abstain from voting on individual matters in accordance with the securities regulatory rules of the place where the Company's shares are listed), each share shall carry one vote. On a poll, shareholders (including proxies) with two or more votes need not use all their voting rights in the same way.

When the shareholders' general meeting considers material matters affecting the interests of small and medium-sized investors, votes for small and medium-sized investors shall be counted separately. The results of the separate vote count shall be disclosed publicly in a timely manner in accordance with the relevant laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

The Company's own shares held by the Company do not carry voting rights and such shares shall not count towards the total number of shares with voting rights at shareholders' general meetings.

If a shareholder purchases shares with voting rights of the Company in violation of the provisions of Article 63(1) and (2) of the "Securities Law", the voting rights of such shares in excess of the prescribed proportion shall not be exercised and shall not be counted towards the total number of shares with voting rights present at the shareholders' general meeting for thirty-six months after the purchase.

Where any shareholder is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any resolution in accordance with the applicable laws, administrative regulations, departmental rules, regulatory documents and the securities regulatory rules of the place where the Company's shares are listed, any vote cast by a shareholder (or his proxy) in contravention of such requirement or restriction shall not be counted as part of the voting result.

The board of directors, independent non-executive directors, shareholders holding more than one per cent of the shares with voting rights or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the CSRC may publicly solicit shareholders' voting rights. The solicitation of shareholders' voting rights shall provide full disclosure of information such as specific voting intentions to the solicited person. The solicitation of shareholders' voting rights by way of remuneration or disguised remuneration is prohibited. Except for statutory conditions, the Company shall not impose minimum shareholding restrictions on the solicitation of voting rights.

Article 82 When matters in relation to related party transactions are considered at a shareholders' general meeting, shareholders with related party relationship shall not participate in the voting and the number of shares with voting rights represented by them should not be counted towards the total number of valid votes; the announcement of resolutions at shareholders' general meetings shall adequately disclose the votes of non-related shareholders.

Shareholders with related party relationship shall automatically recuse themselves and abstain from voting at a shareholders' general meeting. The presiding officer shall request shareholders with related party relationship to recuse themselves. Any shareholder who is not required to recuse himself/herself shall have the right to request the shareholders with related party relationship to recuse themselves.

Such related party transaction shall be approved by a poll of the non-related shareholders present at the meeting, with more than half of the valid votes cast in favour of such related party transaction; if such transaction falls within the scope of a special resolution, it shall be approved by more than two-thirds of the valid votes cast.

When the shareholders' general meeting considers a proposal to provide a guarantee for a shareholder, a de facto controller and their related parties, such shareholder, or a shareholder at the disposal of such de facto controller, shall not participate in such vote, which shall be passed by a simple majority~~more than half~~ of the votes held by other shareholders present at the shareholders' general meeting.

If it is otherwise provided by applicable laws, administrative regulations, departmental rules, regulatory documents or the securities regulatory rules of the place where the Company's shares are listed, such provisions shall apply.

Article 83 Unless in exceptional circumstances such as the Company is in a crisis, the Company will not enter into contracts with persons other than directors, general manager and other senior management personnel to place the management of all or significant business of the Company under the responsibility of such persons unless approved by a special resolution at a shareholders' general meeting.

Article 84 The names of the candidates for directors and supervisors shall be put forward for voting at the shareholders' general meeting by way of a proposal.

The manner and procedure for the nomination of directors and supervisors shall be:

- (1) the board of directors, shareholders holding individually or collectively more than three per cent of the Company's shares shall have the right to propose to the Board of Directors nominations of candidates for non-independent non-executive directors, and the Board of Directors shall, after consulting the nominees and examining their qualifications for the office, submit proposals to the shareholders' general meeting;
- (2) the board of supervisors and shareholders holding individually or collectively more than three per cent of the Company's shares shall have the right to propose nominations of candidates for shareholder representative supervisors, and the board of supervisors shall, after consulting the nominees and examined their qualifications for the office, submit proposals to the shareholders' general meeting. The employee representatives on the board of supervisors shall be elected by the employees of the Company through democratic means;
- (3) The board of Directors, the board of supervisors and shareholders who individually or collectively hold one per cent of the Company's issued shares shall have the right to propose nominations of candidates for independent non-executive directors.

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

The cumulative voting system referred to in the preceding paragraph means that when directors or supervisors are elected at a shareholders' general meeting, each share shall have the same number of votes as the number of directors or supervisors to be elected, and shareholders' voting rights may be used centrally.

The board of directors shall announce to the shareholders the curriculum vitae and basic information of the candidates of directors and supervisors.

The cumulative voting system shall be used when the proportion of shares in which a single shareholder and persons acting in concert with him are interested reached thirty per cent or more.

Article 85 The specific operational procedures for the cumulative voting system shall be as follows:

- (1) independent non-executive directors, non-independent non-executive directors and supervisors of the Company shall be elected and voted separately;
- (2) in the election of independent non-executive directors, each shareholder shall be entitled to a number of votes equal to the product of the number of shares held by him multiplied by the number of independent non-executive directors he is entitled to elect, and such votes shall be cast only to the candidates of independent non-executive directors of the company, and the person who receives the highest number of votes shall be elected;
- (3) in the election of non-independent non-executive directors and supervisors, each shareholder shall be entitled to a number of votes equal to the product of the number of shares held by him multiplied by the number of non-independent non-executive directors and supervisors he is entitled to elect, and such votes shall be cast only to the candidates of non-independent non-executive directors and supervisors of the company, and the person who receives the highest number of votes shall be elected;
- (4) where the number of candidates is more than the number specified in these Articles of Association, the number of independent non-executive directors, non-independent non-executive directors and supervisors elected by each shareholder voting shall not exceed the number of independent non-executive directors, non-independent non-executive directors and supervisors specified in these Articles of Association, and the total number of votes cast shall not exceed the number of votes to which the shareholder is entitled, otherwise such votes shall be void;
- (5) the scrutineers and vote-counters of the shareholders' general meeting must check the above circumstances carefully to ensure that the cumulative voting is fair and valid.

Article 86 Except for the cumulative voting system, the shareholders' general meeting shall vote on all proposals one by one, and if there are different proposals on the same matter, they will be voted on in the chronological order in which they are put forward. The shareholders' general meeting will not set aside or withhold a vote on a proposal, except for special reasons such as force majeure, which causes the Shareholders' general meeting to be suspended or unable to make a resolution.

Article 87 The proposal will not be amended when it is considered at the Shareholders' general meeting otherwise the change in question shall be considered as a new proposal and cannot be voted on at the shareholders' general meeting for the time being.

Article 88 Only one of the on-site, online or other voting methods can be selected for the same voting right. In the event of duplicate votes on the same voting right, the result of the first vote shall prevail.

Article 89 The shareholders' general meeting adopts a registered voting system.

Article 90 Before voting on a proposal at a shareholders' general meeting, two representatives of shareholders shall be selected to take part in the counting and supervision of votes. If the matter under consideration is related to a shareholder, the relevant shareholders and their proxy shall not participate in the counting and supervision of votes.

When a proposal is voted on at a shareholders' general meeting, ~~the lawyers (if applicable),~~ the counting and scrutinizing officer appointed by the Board of Directors (if applicable) and the shareholder's representative together with the supervisory representative shall be responsible for counting and scrutinizing the votes, and the results of the vote shall be announced on site, and the results of the vote on the resolution shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxy who vote via the Internet or other means are entitled to check their votes through the appropriate voting system.

Article 91 The on site meeting of shareholders' general meeting shall end no earlier than the meeting held online or otherwise and the presiding officer shall announce the vote and the result of each proposal and, based on the result of the vote, whether the proposal is adopted or not.

Until the official announcement of the voting results, the Company, the vote counters, the scrutineers, the major shareholders, the web service provider and other parties involved in the on-site, online and other voting methods at the Shareholders' general meeting shall be subject to an obligation of confidentiality.

Article 92 Shareholders attending a shareholders' general meeting should express one of the following opinions on the proposal put to vote: Agree, object or abstain. Except where the securities registrar and settlement institution acts as the nominal holder (if any) of shares under the connection mechanism of the Mainland and Hong Kong stock markets and makes a declaration in accordance with the intention of the actual holder.

Votes that are incomplete, misfiled, illegible, or not cast shall be deemed to be abstentions by the voter and shall be counted as “**abstentions**” in respect of the number of shares held by such voter.

Article 93 If the presiding officer is in any doubt as to the result of the resolution submitted for voting, he may organise the votes cast to be count; if the presiding officer fails to conduct a vote count and a shareholder or a shareholder's proxy present at the meeting objects to the announcement of the result by the presiding officer, he shall be entitled to demand a count immediately after the announcement of the result of the vote, and the presiding officer shall organise a vote count immediately.

Article 94 Resolutions of the Shareholders' general meeting shall be announced in a timely manner in accordance with the relevant laws, administrative regulations and the securities regulatory rules of the place where the Company's shares are listed. The announcement shall set out relevant matters such as the number of shareholders and proxies attending the meeting, the total number of shares with voting rights and the proportion of the total number of shares with voting rights of the Company, the voting method, the voting result of each proposal and the content of each resolution adopted.

Article 95 If the proposal is not passed, or if the current shareholders' general meeting changes the resolution of the previous shareholders' general meeting, a special reminder shall be included in the announcement of the resolution of shareholders' general meeting.

Article 96 If the shareholders' general meeting adopts the relevant proposals for the election of directors and supervisors, the new directors and supervisors shall assume office on the date of adoption of the resolution at the shareholders' general meeting or the effective date of their appointment as contained in the relevant resolution.

Article 97 If the shareholders' general meeting adopts the proposal on distribution of cash dividend, share bonus or capitalisation of capital reserves, subject to the laws and regulations as well as the securities regulatory rules of the place where the Company's shares are listed, the Company will implement the specific project within two months after the shareholders' general meeting.

Chapter 5 Board of Directors

Section 1 Directors

Article 98 Directors of the company shall be natural persons. A person who is applicable to any one of the following circumstances shall not become a director of the Company:

- (1) having no capacity for civil conduct or limited capacity for civil conduct;;
- (2) a person who has been sentenced to criminal penalty for corruption, bribery, infringement of property, misappropriation of property or sabotaging the order of socialist market economy, ~~where less than five years have elapsed since the sentence was served,~~ or who has been deprived of his political rights due to criminal offense, where less than five years have elapsed since the deprivation lapsed, or who has been sentenced to probation and a 2-year period has not elapsed since the date of expiration of the probation period;
- (3) a person who is a former director, factory principal or manager of a company or enterprise which has become insolvent and has been liquidated and who is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of completion of the insolvency and liquidation of such company or enterprise;
- (4) a person who is a former legal representative of a company or enterprise, the business license of which was revoked or such company or enterprise was ordered to shut down due to violation of law and such person is personally liable for such consequences, where less than three years have elapsed since the date of the revocation of business license or closure by order of such company or enterprise;
- (5) a person who has a relatively large amount of debt which has become overdue and is listed by the People's Court as a dishonest person;
- (6) a person who is subject to a securities market entry prohibition measure imposed by the CSRC, and the period of the prohibition has not lapsed;
- (7) other contents as stipulated by laws, administrative regulations, departmental rules and regulations or the securities regulatory rules of the place where the Company's shares are listed.

If a director is elected or appointed in violation of the provisions of this Article, such election, appointment or employment shall be null and void. The Company shall dismiss a director from office if the circumstances under this Article arise during his or her term of office.

Article 99 Directors shall be elected or replaced by the shareholders' general meeting and may be removed from office by the shareholders' general meeting prior to the expiry of their term of office. Directors are elected for a term of three years and may be re-elected upon expiry of their term of office in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

The term of office of the directors shall be calculated from the date of their assumption of office to the expiry of the current term of office of the board of directors. If a director's term of office expires without timely re-election, the original director shall still perform the duties of a director in accordance with the laws, administrative regulations, departmental rules and regulations and these Articles of Association until the re-elected director assumes office.

The general manager or other senior management personnel may concurrently serve as a director, provided that the total number of directors who also hold the position of general manager or other senior management personnel and directors who are employee representatives shall not exceed one-half of the total number of directors of the Company.

Article 100 Directors shall comply with the laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association, and shall owe the following duties of loyalty to the company:

- (1) not to use their authority to accept bribes or other illegal income and not to misappropriate the property of the Company;
- (2) no misappropriation of funds of the Company;
- (3) not to open accounts in which the assets or funds of the company are deposited in his or her personal name or in the name of other individuals;
- (4) not to lend the Company's funds to others or provide security for others with the Company's property without the consent of the shareholders' general meeting or the Board of Directors in contravention of the provisions of these Articles of Association;
- (5) not to enter into contracts or transactions with the Company in contravention of the provisions of these Articles of Association or without the consent of the shareholders' general meeting;
- (6) not to use the convenience of his office to secure for himself or others business opportunities that should have belonged to the Company and to carry on a business of the same kind as that of the Company for himself or for others without the consent of the shareholders' general meeting;

- (7) not to accept commissions for their own benefit in respect of transactions with the Company;
- (8) no unauthorised disclosure of secrets of the Company;
- (9) not use their related party relationship to harm the interest of the company;
- (10) other duties of loyalty as stipulated by laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Any directors' income in contravention of the provisions of this Article shall belong to the Company; for any damages incurred to the Company, such director shall be liable for compensation.

Article 101 Directors shall comply with the laws, administrative regulations and these Articles of Association and shall owe the following duties of diligence to the Company:

- (1) exercise the rights conferred by the Company in a prudent, conscientious and diligent manner so as to ensure that the Company's business conduct complies with the requirements of state laws, administrative regulations and various national economic policies and that its business activities do not exceed the scope of business as stipulated in its business licence;
- (2) treat all shareholders fairly;
- (3) keep abreast of the operation and management of the Company's businesses;
- (4) sign a written confirmation of the Company's periodic reports. Ensure that the information disclosed by the Company shall be true, accurate and complete;
- (5) truthfully provide relevant information and data to the board of supervisors and shall not obstruct the board of supervisors or individual supervisors in the exercise of their powers;
- (6) other duty of diligence stipulated by laws, administrative regulations, departmental rules and regulations, securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Article 102 A director who fails to attend meetings of the Board of Directors in person or by proxy for two consecutive times shall be deemed failed to perform his or her duties and the board of directors shall recommend to the shareholders' general meeting to replace such director. Subject to the securities regulatory rules of the place where the Company's shares are listed, a director who attends a meeting of the board of directors by internet, video, telephone or other means with equivalent effect shall also be deemed to be present in person.

Article 103 A director may resign before the expiration of his or her term of office. A resigning director shall submit written resignation report to the board of directors. The board of director swill disclose the relevant situation within two days.

If, as a result of the resignation of a director, the number of directors on the board of directors of the Company falls below the minimum number prescribed by the law, the original director shall continue to perform the duties as a director in accordance with the laws, administrative regulations, departmental rules and regulations and these Articles of Association until the newly elected director assumes office.

Except in the circumstances set out in the preceding paragraph, the resignation of a Director shall take effect when the resignation report is served on the board of directors.

Article 104 A director shall complete all formalities for handing over to the board of directors when his resignation takes effect or when his term of office expires, and his duty of loyalty to the Company and its shareholders shall not ipso facto be discharged at the end of his term of office, and his obligation to keep the Company's trade secrets confidential shall remain in force at the end of his term of office until such secrets become public information. The duration of the other obligations incumbent on the director, which are not provided for in the contract of appointment, shall be determined on an equitable basis, depending on the length of time between the event and the departure from office and the circumstances and conditions under which the relationship with the Company ends.

Article 105 No Director shall act on behalf of the Company or the Board in his personal capacity without the provisions of these Articles of Association or the lawful authority of the Board. Where a director is acting in his personal capacity, he shall declare his position and identity in advance where a third party would reasonably believe that he is acting on behalf of the Company or the board of directors.

Article 106 A director shall be liable for compensation as regards the damages caused to the Company if he or she violates the provisions of laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association in the performance of his or her duties for the Company.

Article 107 The Company shall have independent non-executive directors. The independent non-executive directors shall be independent of the Company and the Company's major shareholders. An independent non-executive director shall not hold any position in the Company other than that of an independent non-executive director. Independent non- executive directors shall be implemented in accordance with the relevant regulations of the laws, administrative regulations, the CSRC and the stock exchange of the place where the Company's shares are listed.

Section 2 Board of Directors

Article 108 The Company shall have a board of directors, which shall be accountable to the shareholders' general meeting.

Article 109 The board of directors shall consist of 5 to 159 directors, with 1 chairman and 1 vice chairman. The number of independent non-executive directors shall not be less than 3 at any time and shall constitute at least one-third of the total number of directors on the board of directors.

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

- (1) to summon shareholders' general meetings and report its works to the shareholders' general meeting;
- (2) to implement resolutions of the shareholders' general meeting;
- (3) to decide on the Company's business plan and investment project;
- ~~(4) to formulate the Company's annual financial budget project and final accounts project;~~
- ~~(5)~~(4) to formulate the Company's projects for profit distribution and loss recovery;
- ~~(6)~~(5) to formulate projects for the increase or reduction of the registered capital of the Company, the issue of bonds or other securities and the listing of the Company;
- ~~(7)~~(6) to formulate projects for major acquisitions of the Company, acquisition of the Company's shares or mergers, division, dissolutions and changes in corporate form of the Company;
- ~~(8)~~(7) to decide, within the authorisation of the shareholders' general meeting, on (1) the issuance by the Company of shares not exceeding fifty per cent of the issued shares within three years, (2) the issuance of corporate bonds not exceeding thirty per cent of the Company's latest audited total assets (including the issuance of corporate bonds that are convertible into shares), (3) the repurchase of the equity interest in the Company under the circumstances set forth in paragraphs 1(3), (5) and (6) of Article 24 of the Articles of Association, (4) the disposal of assets not thirty per cent of the Company's latest audited total assets as follows: matters such as external investments, acquisition and sale of assets, pledging of assets, external guarantee matters, entrusted wealth management, related party transactions and external donations of the Company. However, in case of separate provisions as prescribed under the securities regulatory rules of the place where the Company's shares are listed in respect of the matters referred to in (1) to (4) above, such provisions shall also apply;

- ~~(9)~~(8) to decide on the establishment of the internal management structure of the Company;
- ~~(10)~~(9) To decide on the appointment or dismissal of the general manager, the secretary to the board of directors and other senior management personnel of the Company, and to decide on matters of their remuneration, rewards and punishments; to decide on the appointment or dismissal of senior management personnel such as the deputy general manager, the financial controller, among others, and to decide on matters of their remuneration, rewards and punishments, upon nomination by the general manager;
- ~~(11)~~(10) to formulate the basic management system of the Company;
- ~~(12)~~(11) to formulate the project of amendments to these Articles of Association;
- ~~(13)~~(12) to manage corporate information disclosure matters;
- ~~(14)~~(13) to submit to the shareholders' general meeting a request for the engagement or replacement of the accounting firm auditing for the Company;
- ~~(15)~~(14) to receive reports on the work of the Company's general manager and checking the work of the general manager;
- ~~(16)~~(15) such other powers granted by laws, administrative regulations, departmental rules and regulations, the securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

The board of directors shall establish an Audit Committee, a Nomination Committee and a Remuneration Committee (collectively, the “**Special Committees**”), and other Special Committees as required. The Special Committees shall be accountable to the Board of Directors and shall perform their duties in accordance with these Articles of Association and the authority delegated by the board of directors, and their proposals shall be submitted to the board of directors for consideration and decision. The members of the Special Committee shall be composed entirely of directors. The Special Committee shall not make any resolution in the name of the board of directors, but may, subject to the mandatory provisions of the relevant laws, regulations and regulatory documents of the PRC and the listing rules of the stock exchange of the place where the Company's shares are listed, exercise its decision-making power in respect of the authorized matters in accordance with the special authorization of the board of directors. The board of directors shall be responsible for formulating the working rules and regulations of the Special Committee and regulating the operation of the Special Committee.

Matters exceeding the scope of authority delegated by the shareholders' general meeting shall be submitted to the shareholders' general meeting for consideration.

Article 111 The board of directors of the Company shall make a statement to the shareholders' general meeting regarding the non-standard audit opinion issued by the certified public accountant on the Company's financial report.

Article 112 The board of directors shall formulate the rules of procedure of the board of directors to ensure that the board of directors implements the resolutions of the shareholders' general meeting, so as to improve efficiency and to ensure scientific decision-making.

The rules of procedure of the board of directors shall be annexed to the Articles of Association and shall be drafted by the Board of Directors and approved by the shareholders' general meeting.

Article 113 The board of directors shall determine the authority for external investments, acquisition and sale of assets, pledging of assets, external guarantee matters, entrusted financial management, related party transactions and external donations, and establish strict review and decision-making procedures; material investment projects exceeding thirty percent of the Company's latest audited total assets shall be reviewed by relevant experts and professionals and reported to the shareholders' general meeting for approval.

Article 114 The chairman and vice-chairman of the board of directors shall be elected by the board of directors by a majority of all directors.

Article 115 The chairman of the board of directors shall exercise the following functions and powers:

- (1) to preside over shareholders' general meetings, summoning and chairing meetings of the board of directors;
- (2) to supervise and check the implementation of resolutions of board of directors;
- (3) other functions and powers delegated by the board of directors.

Article 116 The vice-chairman of the board of directors of the Company shall assist the work of the chairman of the board of directors and if the chairman is unable to perform his duties or does not perform his duties, the vice-chairman shall perform such duties (where the Company has two or more vice-chairmen, the vice-chairman jointly elected by a simple majority ~~more than half~~ of the directors shall perform such duties); if the vice-chairman is unable to perform his duties or does not perform his duties, a director jointly elected by a simple majority ~~more than half~~ of the directors shall perform his duties.

Article 117 The board of directors shall meet at least four times a year (once a quarter), such meeting shall be summoned by the chairman of the board of directors, with written notice to all directors and supervisors fourteen days prior to the meeting.

Article 118 Shareholders representing at least one-tenth of the voting rights, at least one-third of the directors or the board of supervisors may propose the convening of an extraordinary meeting of the board of directors. the chairman of the board of directors shall summon and chair a meeting of the board of directors within ten days from the receipt of the proposal.

Article 119 The board of directors shall convene an extraordinary meeting of the board of directors by giving notice in writing to all directors and supervisors five days prior to the meeting. If the situation is urgent and it is necessary to convene an extraordinary meeting of the board of directors as soon as possible, notice of the meeting may be given by telephone or other oral means at any time, but the convener shall give an explanation at the meeting.

Article 120 The notice of the Board meeting shall include at least the following:

- (1) date and venue of the meeting;
- (2) the manner in which the meeting to be conducted;
- (3) subject matter and topic;
- (4) the date on which the notice was sent.

Article 121 Except as otherwise provided in these Articles of Associations, meetings of the board of directors shall be held in the presence of more than half of the directors. Except as otherwise provided in the laws, administrative regulations, departmental rules and regulations, these Articles and the securities regulatory rules of the place where the Company's shares are listed, a resolution of the board of directors must be passed by more than half of all directors.

Voting on Board resolutions shall be made on a one-person-one-vote basis.

Article 122 Where the directors, supervisors, general manager and other senior management personnel of the Company have important interests, whether directly or indirectly, in the contracts, transactions and arrangements entered into or planned to be entered into by the Company (other than contracts of employment between the Company and its directors, supervisors, general managers and other senior management personnel), the nature and degree of their interest shall be disclosed to the board of directors as soon as possible, no matter whether or not the relevant matter would normally require the approval and consent of the board of directors. Where a director or his associate (as defined in the "SEHK Listing Rules" as in force from time to time) has related party relationship or is interested in the matter or business to which the board of directors has resolved in a meeting, except as permitted by laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, (i) such director shall not exercise his voting rights in respect of such resolution and shall not exercise his voting rights on behalf of any other director; (ii) such director shall not be counted for the purpose of determining whether a quorum is present at such meeting of the

board of directors. Such meeting of board of directors shall be held in the presence of a majority of the non-related directors and a resolution at such meeting of the board of directors shall be approved by more than half of the non-related directors; (iii) if the number of non-related directors present at such meeting of the board of directors is less than three, the matter shall be submitted to a shareholders' general meeting for consideration. Voting by the board of directors in respect of "connected transactions" under the "SEHK Listing Rules" shall comply with the relevant provisions of the "SEHK Listing Rules".

Article 123 Voting on resolutions of the board of directors shall be by a show of hands or by poll.

Extraordinary meetings of the board of directors may be held and resolutions may be made by telephone or video conference or other means of equivalent effect, and signed by the participating directors, provided that the full expression of the directors' views is ensured and that the securities regulatory rules of the place where the Company's shares are listed are complied with.

Article 124 Directors shall attend meetings of the board of directors in person; if a director is unable to attend for any reason, he/she may appoint in writing another Director to attend on his/her behalf, and the power of attorney shall contain the name of the proxy, the matters to be represented, the scope of authority and the period of validity, and shall be signed or sealed by the principal. The director attending the meeting on other director's behalf shall exercise the rights of a director within the scope of the authorisation. A director who fails to attend a meeting of the board of directors and does not attend by proxy shall be deemed to have waived his right to vote at such meeting.

A director shall not be entrusted by more than two directors to attend a meeting of the board of directors on their behalf. Independent non-executive directors may only entrust independent non-executive directors to attend meetings.

Article 125 The board of directors shall make minutes of the decisions made on the matters discussed at the meeting, and the directors present at the meeting shall sign on the minutes.

Minutes of meetings of board of directors shall be kept as archives of the Company for a period of not less than ten years.

Article 126 Minutes of meetings of board of directors shall include the following particulars:

- (1) date and venue of the meeting and the name of the convener;
- (2) names of the directors present and the names of directors (proxies) entrusted by others to attend the meeting of board of directors;

- (3) meeting agenda;
- (4) key points of the directors' speeches;
- (5) the manner of voting and the result of each resolution (the result of the vote shall indicate the number of votes cast in favour, against or abstentions).

Chapter 6 General Manager and Other Senior Management Personnel

Article 127 The Company shall have a general manager who shall be appointed or dismissed by the board of directors.

The Company shall have a number of deputy general managers, who shall be nominated by the general manager and appointed or dismissed by the board of directors.

The general manager, deputy general manager, secretary to the board of directors and the financial controller of the Company are the senior management personnel of the Company.

Article 128 Article 98 of these Articles of Association concerning the circumstances in which a person may not serve as a director shall also apply to senior management personnel.

The provisions of Article 100 of these Articles of Association concerning the duty of loyalty of directors and Article 101(4) to (6) concerning the duty of diligence shall also apply to senior management personnel.

Article 129 A person who holds an executive position other than that of a director ~~or~~^{supervisor or executive partner} in the entities of the controlling shareholder or de facto controller of the Company shall not act as a senior management personnel of the Company.

Senior management personnel of the Company shall receive their salaries only at the Company and shall not be paid by the controlling shareholder on behalf of the Company.

Article 130 The term of office of the general manager shall be three years for each session, and the general manager may be reappointed upon reelection.

Article 131 The general manager shall be responsible to the board of directors and exercises the following functions and powers:

- (1) to preside over the production and management works of the company, organizing the implementation of board of directors resolutions and reporting to the board of directors;
- (2) to organise the implementation of the Company's annual business plan and investment projects;

- (3) to formulate the project of internal management structure of the company;
- (4) to formulate the basic management system of the company;
- (5) to establish the specific regulations of the Company;
- (6) to propose to the board of directors the appointment or dismissal of the deputy general manager and financial controller of the Company;
- (7) to decide on the appointment or dismissal of responsible officers other than those who should be appointed or dismissed by decision of the board of directors;
- (8) Such other powers as may be conferred by these Articles of Associations or by the board of directors. The general manager may be present at meetings of board of directors.

Article 132 The general manager shall formulate a set of detailed rules for the work of the manager and submit to the board of directors for approval before implementation.

Article 133 The detailed rules for the work of the manager shall include the following particulars:

- (1) the conditions and procedures for convening meetings of the general manager and the persons to attend such meetings;
- (2) the specific responsibilities of each of the general manager and other senior managers and their division of job duties;
- (3) the authority of operation of the Company's funds and assets, the authority to enter into major contracts, and the reporting system to the board of directors and the board of supervisors;
- (4) such other matters as the board of directors may deem necessary.

Article 134 The general manager may resign before the expiry of his term of office. The specific procedures and methods relating to the resignation of the general manager shall be set out in the contract of appointment between the general manager and the Company.

Article 135 The deputy general manager shall be nominated by the general manager and appointed or dismissed by the board of directors, the deputy general manager shall assist the general manager to carry out the works and shall be accountable to the general manager.

Article 136 The Company shall have a secretary to the board of directors, who shall be responsible for the preparation of shareholders' general meetings and meetings of board of directors of the Company, the custody of documents and the management of the shareholders' information of the Company, and the handling of information disclosure matters.

The secretary to the board of directors shall comply with the relevant provisions of the laws, administrative regulations, departmental rules and regulations and these Articles of Associations.

Article 137 Senior management personnel who violate the provisions of laws, administrative regulations, departmental rules and regulations or these Articles of Association in performing their duties for the Company and caused damage to the Company shall be liable for compensation.

Article 138 Senior management personnel of the Company shall faithfully perform their duties to safeguard the best interests of the Company and all its shareholders. Senior management personnel who failed to faithfully perform their duties or breach their duty of good faith and cause damage to the interests of the Company and holders of public shares shall be liable for compensation.

Chapter 7 Board of Supervisors

Section 1 Supervisors

Article 139 Article 98 of these Articles of Association concerning the circumstances in which a person shall not serve as a director shall also apply to the supervisors.

Directors, the general manager and other senior management personnel shall not concurrently serve as a supervisor.

Article 140 Supervisors shall abide by the laws, administrative regulations and these Articles of Association, and shall have a duty of loyalty and diligence to the Company, and shall not use their authority to accept bribes or other illegal income or misappropriate the property of the Company.

Article 141 The term of office of the supervisors shall be three years for each session. Supervisors are eligible for re-election upon expiry of their term of office.

Article 142 If a supervisor's term of office expires without timely re-election, or if a supervisor resigns during his or her term of office resulting in the number of supervisors on the board of supervisors falling below the minimum number prescribed by the law, the original supervisor shall still perform his or her duties as a supervisor in accordance with the laws, administrative regulations and the provisions of these Articles of Association until the re-elected supervisor assumes office.

Article 143 Supervisors shall ensure that the information disclosed by the Company shall be true, accurate and complete and shall sign a written confirmation of its periodic reports.

Article 144 Supervisors may be present at meetings of the board of directors and make queries or recommendations on matters to be resolved by the board of directors.

Article 145 Supervisors shall not use their related party relationship to harm the interest of the Company and shall be liable to pay compensation if any damage are caused to the Company.

Article 146 Supervisors who violate the provisions of laws, administrative regulations, departmental rules or these Articles of Association in the performance of their duties for the Company and cause damage to the Company shall be liable for compensation.

Section 2 Board of Supervisors

Article 147 The Company shall have a board of supervisors. the board of supervisors shall consist of three supervisors and shall have one chairman. The Chairman of the board of supervisors shall be elected by more than half of all supervisors. The chairman of the board of supervisors shall summon and preside over meetings of the board of supervisors; if the chairman of the board of supervisors is unable to perform his duties or does not perform his duties, a simple majority~~more than half~~ of the supervisors shall jointly elect a supervisor to summon and preside over the meetings of the board of supervisors.

The board of supervisors shall have representatives of the shareholders and an appropriate proportion of representatives of the employees of the Company, of which the proportion of employee representatives shall not be less than one-third. The staff representatives on the board of supervisors shall be democratically elected by the employees of the Company through the staff congress, staff meeting or other forms.

Article 148 The board of supervisors shall exercise the following functions and powers:

- (1) shall review and provide written opinions of review on the periodic reports of the Company prepared by the board of directors;
- (2) to inspect the financing circumstance of the Company;
- (3) to supervise the conduct of directors and senior management personnel in performing their duties for the Company and to propose the ~~removal~~dismissal of directors and senior management personnel who violate the laws, administrative regulations, these Articles of Association or resolutions of the shareholders' general meeting;
- (4) to require directors and senior management personnel to rectify their actions when such actions are detrimental to the interests of the company;
- (5) to propose the convening of an extraordinary general meeting and to summon and preside over shareholders' general meetings when the board of directors does not perform its duties to summon and preside over shareholders' general meetings as provided for in the "Company Law";
- (6) to submit proposals to the shareholders' general meeting;
- (7) to institute legal actions against directors and officers in accordance with the provisions of Article ~~454~~189 of the "Company Law";
- (8) to conduct investigations when abnormalities are discovered in the Company's operation; if necessary, professional bodies such as accounting firms and law firms may be engaged to assist in the work at the Company's expense.

Article 149 The board of supervisors shall meet at least once every six months. A supervisor may propose an extraordinary meeting of the board of supervisors.

Resolutions of the board of supervisors shall be passed by a simple majority~~more than half of the all~~ Supervisors.

Article 150 The Board of supervisors shall formulate rules of procedure of the board of supervisors and clarifies the manner of proceedings and voting procedures of the board of supervisors in order to ensure the efficiency of the board of supervisors and scientific decision-making.

The rules of procedure of the board of supervisors shall set out the procedures for convening and voting in the board of supervisors. The rules of procedure of the board of supervisors shall be annexed to the Articles of Association and are to be drafted by the board of supervisors and approved by the shareholders' general meeting.

Article 151 The board of supervisors shall prepare minutes of the decisions of the proceedings and the supervisors present at the meeting shall sign on the minutes.

Supervisors have the right to request that certain explanatory notes be made in the minutes of their speeches at the meeting. The minutes of meeting of board of supervisors shall be kept as archives of the Company for a period of not less than ten years.

Article 152 The notice of meetings of board of supervisors shall include the following particulars:

- (1) the date, venue and duration of the meeting to be held;
- (2) subject matter and topic thereof;
- (3) the date on which the notice was sent.

Chapter 8 Financial Accounting System, Profit Distribution and Auditing

Section 1 Financial Accounting System

Article 153 The Company shall formulate its financial accounting system in accordance with the laws, administrative regulations and the provisions of relevant state departments.

Article 154 The Company's financial year shall be based on the calendar year, namely the financial year begins on 1 January and ends on 31 December of each year.

The Company shall disclose its annual report within four months from the end of each financial year and its interim report within two months from the end of the first half of each financial year. The Company shall file, disclose and/or submit to shareholders its annual reports, interim reports, preliminary results announcements, etc., in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Article 155 The above annual and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, the regulations of CSRC and those of the stock exchange of the place where the Company's shares are listed. The Company shall not keep separate accounting books other than the statutory accounting books. The assets of the Company shall not be deposited in any personal accounts in the name of any individual.

Article 156 When the company distributes the after-tax profit for the year, ten per cent of the profit shall be withdrawn and included in the Company's statutory reserve. Where the accumulated amount of the Company's statutory reserve is more than fifty per cent of the Company's registered capital, further allocation is not required.

If the Company's statutory reserve is not sufficient to cover losses of previous years, it shall, before withdrawing the statutory reserve in accordance with the preceding paragraph, make up the losses from the profits of the current year in the first place.

After the Company has withdrawn statutory reserve from its profit after tax, it may also make an arbitrary reserve from its profit after tax by resolution of the shareholders' general meeting.

The profit after taxation remaining after the Company has made up its losses and withdrawn its reserves may be distributed in proportion to the shares held by the shareholders, except where these Articles of Association provide that the distribution shall not be made in proportion to the shares held.

If the shareholders' general meeting distributes profits to shareholders before the Company has made up its losses and withdrawn its statutory reserve in violation of the preceding paragraph, the shareholders must return the profits distributed in violation of the requirements to the Company.

The Company's own shares held by the Company shall not participate in the distribution of profits.

The Company shall appoint one or more receiving agents in Hong Kong for H Shareholders. The receiving agent shall receive and safekeep the dividends and other amounts payable by the Company in respect of the H shares on behalf of the H shareholders concerned, pending payment to such H shareholders. The receiving agent appointed by the Company shall comply with the requirements of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 157 The Company's reserve funds shall be used to make up the Company's losses, to expand the Company's production and operations or to be transferred to increase the Company's capital. ~~However, the capital reserve shall not be used to make up the Company's losses~~When such reserve funds are used to make up the losses of the Company, the discretionary reserve and the statutory reserve shall be prioritized; the capital reserve may be used in accordance with the regulations if such reserves are not sufficient to cover the losses.

When the statutory reserve is converted to capital, the amount of such reserve retained shall be not less than twenty-five per cent of the registered capital of the Company before the conversion.

Article 158 After the resolution on the profit distribution plan is made at the shareholders' general meeting of the Company, subject to the laws and regulations as well as the securities regulatory rules of the place where the Company's shares are listed, the board of directors of the Company shall complete the distribution of dividends (or bonus shares) within two months after the shareholders' general meeting.

Article 159 The Company may distribute dividends in the form of cash or shares as follows:

- (1) The Company's profit distribution principles: The Company implements a dividend distribution policy of equal shares and equal benefits, whereby shareholders shall receive dividends and other forms of benefit distribution in accordance with their proportion of shareholdings. The Company implements a positive profit distribution policy, which attaches importance to a reasonable return on investment to investors and maintains continuity and stability. The Company may distribute profits in the form of cash or shares, etc. The distribution of profits shall not exceed the extent of accumulated distributable profits and shall not impair the Company's ability to continue its business. The opinions of independent non- executive directors, external supervisors (if any) and public investors shall be fully considered in the decision-making and discussion process of the profit distribution policy by the board of directors, the board of supervisors and the shareholders' general meeting.
- (2) The overall form of profit distribution of the Company: dividends are distributed in cash, shares or a combination of them. Where the Company has the conditions for distribution of cash dividends, the Company may consider giving priority to cash dividends for profit distribution.
- (3) The specific conditions and proportion of the Company's dividend distribution in cash: if the company achieves profit in the current year and has distributable profits after making up for losses and withdrawing statutory reserves and surplus reserves in accordance with the law, then the company may consider making cash dividends; the Company's profit distribution shall not exceed the scope of accumulated distributable profits.

Section 2 Internal Audit

Article 160 The Company implements an internal audit system with full-time auditors to carry out internal audit supervision of the Company's financial income and expenditure and economic activities.

Article 161 The Company's internal audit system and the duties of the auditors shall be implemented with the approval of the board of directors. The head of audit shall be responsible and reports to the Audit Committee of the board of directors.

Section 3 Engagement of Accounting Firm

Article 162 The Company shall engage an accounting firm that complies with the "Securities Law" and the securities regulatory rules of the place where the Company's shares are listed to carry out audit of accounting statements, verification of net assets and other related advisory services for a period of one year, which is renewable.

Article 163 The appointment of an accounting firm by the Company must be decided by an ordinary resolution of the shareholders' general meeting and the board of directors shall not appoint an accounting firm before the decision is made by a shareholders' general meeting.

Article 164 The Company undertakes to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information to the accounting firm it engages, without refusal, conceal or misrepresentation.

Article 165 The audit fees of the accounting firm shall be determined by an ordinary resolution of the shareholders' general meeting.

Article 166 When the Company dismisses or does not renew the engagement of the accounting firm, the accounting firm shall be notified 20 days in advance and allowed to attend and present its views at the shareholders' general meeting of the Company when the vote on the dismissal of such accounting firm is taken.

If the accounting firm resigns, it shall explain to the shareholders' general meeting whether there are any improper circumstances in the company.

Chapter 9 Notice and Announcement

Section 1 Notice

Article 167 Notices of the Company shall be given in the following forms:

- (1) delivered by hand;
- (2) delivered by mail;
- (3) by public announcement;
- (4) by way of publication on the websites of the Company and that of SEHK, subject to the laws, administrative regulations and the listing rules of the stock exchange of the place where the Company's shares are listed;
- (5) other forms prescribed by laws, administrative rules, regulations, securities regulatory rules of the place where the Company's shares are listed or these Articles of Association.

Article 168 Subject to the provisions of the rules governing the regulation of securities in the place where the Company's shares are listed, a notice given by the Company, if made by way of an announcement, shall be deemed to have been received by all persons concerned upon such announcement.

Article 169 Notice of the meeting of the Company's shareholders' general meeting shall be given by way of an announcement.

Article 170 Notice of meetings of the board of directors of the Company shall be given in writing by personal delivery or by mail or by e-mail, by telephone or by fax.

Article 171 Notice of meetings of the board of supervisors of the Company shall be given in writing by personal delivery or by mail or e-mail, by telephone or by fax.

Article 172 If the notice of the Company is delivered by hand, the date of service shall be the date of signature (or seal) of the person served on the return receipt, and the date of signature of the person served shall be the date of service; if the notice of the Company is delivered by mail, the fifth working day from the date of hand over to the post office shall be the date of service; if the notice of the Company is delivered by way of announcement, the date of publication of the first instance of the announcement shall be the date of service.

Article 173 The accidental omission to give notice of a meeting to, or the non-receipt of notice by, any person entitled to notice shall not invalidate the meeting or the resolution made thereat.

Section 2 Announcement

Article 174 The Company designates the media/website approved by the stock exchange of the place where the Company's shares are listed to publish the Company's announcements and other media requiring disclosure of information.

**Chapter 10 Merger, Division, Capital Increase, Capital Reduction,
Dissolution and Liquidation**

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 175 A merger of the Company may take the form of a merger by absorption or a merger by new creation.

The absorption of one company into another is a merger by absorption and the absorbed company shall be dissolved. The merger of two or more companies to create a new company is a merger by creation and the parties to the merger shall be dissolved.

Article 176 In the case of a merger of the Company, the parties to the merger shall enter into an agreement of merger and prepare a balance sheet and an inventory of property. The Company shall notify its creditors within ten days from the date of the resolution to merge and announce the merger in a newspaper recognised by the stock exchange of the place where the Company's shares are listed or on National Enterprise Credit Information Publicity System within thirty days.

Creditors shall have thirty days from the date of receipt of the notice, or forty-five days from the date of announcement if they have not received the notice, to demand that the company settle the debts or provide appropriate security.

Article 177 In the event of a merger of the Company, the claims and debts of the merging parties shall be succeeded by the surviving company or the newly established company after the merger.

Article 178 In the event of a division of the Company, its properties shall be divided accordingly.

The company shall prepare a balance sheet and an inventory of its property in the event of a division. The company shall notify the creditors within ten days from the date of the resolution of the division and announce it in a newspaper recognised by the stock exchange of the place where the Company's shares are listed or on National Enterprise Credit Information Publicity System within thirty days.

Article 179 The debts of the Company prior to its division shall be borne jointly and severally by the companies established after the division, except as otherwise agreed in a written agreement between the Company and its creditors on the settlement of debts prior to the division.

Article 180 When the Company ~~needs to reduce~~ its registered capital, it ~~must~~shall prepare a balance sheet and an inventory of properties.

The Company shall notify the creditors within ten days from the date of the resolution to reduce the registered capital and announce it in a newspaper recognized by the stock exchange of the place where the Company's shares are listed or on National Enterprise Credit Information Publicity System within thirty days. Within thirty days from the date of receipt of the notice, or within forty-five days from the date of announcement if the notice is not received, creditors shall have the right to demand the Company to settle the debts or provide corresponding guarantees. When reducing its registered capital, the Company shall reduce its shares in proportion to shares held by Shareholders, unless otherwise approved by the Company's Shareholders' general meeting through a special resolution, or in the circumstances stipulated in Article 43 of the Articles of Association.

The Company's registered capital after reduction shall not be lower than the statutory minimum amount.

In the event that the registered capital is reduced in violation of the Company Law, Shareholders shall refund the funds received by them, and any reduction or waive of capital contributions by Shareholders shall be restored to its original state. If any losses are caused to the Company, the Shareholders and the responsible Directors, supervisors, and senior management shall bear the liability for compensation.

Article 181 In case of merger or division of the Company, and the registered matters have changed, the registration of the changes shall be made with the company registration authority in accordance with the law; if the Company is dissolved, the registration of cancellation of the company shall be made in accordance with the law; if a new company is established, the registration of establishment of a company shall be made in accordance with the law.

In case of increase or reduction of the Company's registered capital, the registration of the changes shall be made with the company registration authority in accordance with the law.

Section 2 Dissolution and Liquidation

Article 182 The Company shall be dissolved for the following reasons:

- (1) the term of business provided for in these Articles of Association has expired or the occurrence of any other cause of dissolution provided for in these Articles of Association;
- (2) dissolution has been resolved by the shareholders' general meeting;
- (3) dissolution is required for merger or division of the company;
- (4) having the business licence revoked, ordered to be shut down or be deregistered in accordance with the law;
- (5) where the Company has serious difficulties in its operation and management, and the continuation of the Company will cause significant losses to the interests of the shareholders, and the problem cannot be solved through other means, shareholders holding more than ten per cent of the voting rights of all shareholders of the Company may request a People's Court to dissolve the Company.

Article 183 In case any event of dissolution specified in the preceding paragraph occurs, the Company shall publish an announcement in relation to the reasons for dissolution on the National Enterprise Credit Information Publicity System within 10 days. In case of Article 182(1) and (2) of these Articles of Association, and if no property has been distributed to the Shareholders, the Company may survive by amending these Articles of Association.

Amendments to these Articles of Association in accordance with the preceding paragraph or by resolution of the Shareholders' general meeting shall be approved by at least two-thirds of the votes held by the shareholders present at a meeting of the Shareholders' general meeting.

Article 184 If the Company shall be dissolved pursuant to Article 182(1), (2), (4) and (5) of these Articles of Association, it shall be liquidated. The Directors are the liquidation obligors of the Company, and shall establish a liquidation committee shall be established within fifteen days from the date of the occurrence of the cause of dissolution to commence liquidation. The liquidation committee shall be composed of directors or persons determined by the shareholders' general meeting. If the liquidation committee is not established to commence liquidation after the deadline, the creditors may apply to a People's Court to appoint relevant persons to form a liquidation committee for liquidation.

The liquidation obligors shall bear the liability for damages suffered by the Company or creditors due to their failure to perform the obligations of liquidation in a timely manner.

Article 185 The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (1) to clean up the Company's properties and prepare balance sheets and inventories of property;
- (2) to notify and issue announcement to creditors;
- (3) to deal with the outstanding business of the Company in connection with its liquidation;
- (4) to settle outstanding taxes and the taxes arising from the liquidation process;
- (5) to settle claims and debts;
- (6) to ~~deal with~~ distribute the remaining property of the Company after settlement of its debts;
- (7) to represent the Company in civil litigation activities.

Article 186 The liquidation committee shall notify the creditors within ten days from the date of its establishment and shall make an announcement in a newspaper recognised by the stock exchange of the place where the shares of the Company are listed or on National Enterprise Credit Information Publicity System within sixty days. Creditors shall declare their claims to the liquidation committee within thirty days from the date of receipt of the notice or, if they have not received the notice, within forty-five days from the date of the announcement.

Creditors filing claims should state the relevant matters of the claim and provide supporting documents. The liquidation committee shall register the claims.

During the period of filing claims, the liquidation committee shall not pay off the creditors.

Article 187 After cleaning up the Company's properties and preparing a balance sheet and an inventory of property, the liquidation committee shall ~~formulate~~ develop a liquidation plan, which shall be submitted to the shareholders' general meeting or the People's Court for confirmation.

The remaining property of the Company, after payment of liquidation expenses, salaries, social insurance costs and statutory compensation of employees, payment of outstanding taxes and settlement of the Company's debts respectively, shall be distributed by the Company in proportion to the shares held by the shareholders.

During the liquidation period, the Company shall survive but shall not carry out business activities unrelated to the liquidation.

The properties of the Company shall not be distributed to its shareholders until paid out in accordance with the provisions of the preceding paragraph.

Article 188 If, after cleaning up the Company’s properties and preparing a balance sheet and inventory of property, the liquidation committee discovers that the Company’s property is insufficient to settle its debts, it shall apply to the People’s Court for a declaration of bankruptcy in accordance with the law.

After the Company has been declared bankrupt by a decision of the People’s Court, the liquidation committee shall hand over the liquidation affairs to the bankruptcy administrator designated by the People’s Court.

Article 189 After the liquidation of the Company, the liquidation committee shall prepare a liquidation report, which shall be submitted to the shareholders’ general meeting or the People’s Court for confirmation, and delivered to the company registration authority to apply for cancellation of company registration and announce the termination of the Company.

Article 190 The members of the liquidation committee shall perform their obligations of liquidation and bear duties of loyalty and diligence~~faithfully and in accordance with the law.~~

~~Members of the liquidation committee shall not use their authority to accept bribes or other illegal income or to appropriate the property of the Company.~~

~~Members of the liquidation committee who causes damage to the Company or its creditors due to their negligence to perform the obligations of liquidation through their intentional or grossly negligent conducts shall be liable for compensation; members of the liquidation committee who causes damage to the creditors through their intentional or grossly negligent conducts shall be liable for compensation.~~

Article 191 If the Company is declared bankrupt in accordance with the law, it will be liquidated in accordance with the law on corporate bankruptcy.

Chapter 11 Amendment of these Articles of Association

Article 192 The Company shall amend these Articles of Association upon occurrence of any one of the following circumstances:

- (1) The “Company Law” or relevant laws, administrative regulations, departmental rules and regulations and the securities regulatory rules of the place where the Company’s shares are listed are amended, and the matters provided for in these Articles of Association are in conflict with the provisions of the amended laws, administrative regulations, departmental rules and regulations and the securities regulatory rules of the place where the Company’s shares are listed;

- (2) there has been a change in the circumstances of the Company which is inconsistent with the matters recorded in these Articles of Association;
- (3) the shareholders' general meeting has decided to amend these Articles of Association.

Article 193 If the amendment to the Articles of Association adopted by resolution of the shareholders' general meeting is subject to the approval of the competent authority, it shall be reported to the competent authority for approval; if it involves matters of company registration, the registration of the changes shall be made with the company registration authority in accordance with the law.

Article 194 The board of directors shall amend these Articles of Association in accordance with the resolution of the shareholders' general meeting to amend the Articles of Association and the approval of the relevant competent authorities.

Article 195 Where the amendments to these Articles of Association are information required to be disclosed by laws and regulations, the relevant matters shall be announced as required.

Chapter 12 Supplemental Provisions

Article 196 Definitions

- (1) A controlling shareholder is a shareholder or other person (a person or group of persons) who is entitled to exercise or control the exercise of thirty per cent (or such other percentage as may be prescribed by law from time to time which is necessary to trigger a mandatory public offer, or to establish legal or managerial control over the enterprise) or more of the voting rights at a shareholders' general meeting of the Company; or a shareholder or other person (a person or group of persons) who has the ability to control a majority of the members who make up the board of directors of the Company.
- (2) A de facto controller is a person who is, although not a shareholder of the Company, but can actually control the behavior of the company through investment relations, agreements or other arrangements.
- (3) Related party relationship includes the relationship between the controlling shareholder, de facto controller, directors, supervisors and senior management personnel of the Company and the enterprises directly or indirectly controlled by them, and other relationships that may result in transfer of interests of the Company and the definition of "connected relationship" as stipulated in the "SEHK Listing Rules". However, state-controlled enterprises do not have related party relationship only by virtue of being under the same control of the state.

Article 197 These Articles of Association are written in the Chinese language and in the event of any inconsistency between any other language or different version of the Articles of Association and these Articles of Association, the Chinese version of the Articles of Association as last approved for registration at the full name of the company registration authority shall prevail.

Article 198 All references in these Articles to “**above**”, “**within**” and “**below**” shall include the relevant number itself; references to “**beyond**”, “**lower than**”, “**more than**” and “**over**” shall not include the relevant number itself.

Article 199 The board of directors of the Company shall be responsible for the interpretation of these Articles of Association.

Article 200 The annexes to these Articles of Association include the rules of procedure of the shareholders’ general meeting, the rules of procedure of the board of directors and the rules of procedure of the board of supervisors.

Article 201 These Articles of Association shall take effect from the date of ~~listing and trading of the Company’s overseas listed shares on the Main Board of the Stock Exchange of Hong Kong Limited~~passing of special resolution at the annual general meeting in 2024 or 1 July 2024, whichever is later. Amendments shall become effective upon approval by a special resolution of the shareholders’ general meeting.

NOTICE OF 2024 ANNUAL GENERAL MEETING



Beijing Luzhu Biotechnology Co., Ltd. 北京綠竹生物技術股份有限公司

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

(Stock Code: 2480)

NOTICE OF 2024 ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Beijing Luzhu Biotechnology Co., Ltd. (the “**Company**”) will be held at Conference Room 323, No. 3 Guangtong Street, Industrial Development Zone, Tongzhou District, Beijing, China on Wednesday, June 12, 2024 at 10:00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular dated May 16, 2024 issued by the Company (the “**Circular**”):

ORDINARY RESOLUTIONS

1. To consider and, if thought fit, approve the 2023 annual report.
2. To consider and, if thought fit, approve the work report of the Board for 2023.
3. To consider and, if thought fit, approve the work report of the Supervisory Board for 2023.
4. To consider and, if thought fit, approve the work report of the independent non-executive Directors for 2023.
5. To consider and, if thought fit, approve the profit distribution plan for 2023.
6. To consider and, if thought fit, approve the audited account for 2023.
7. To consider and, if thought fit, approve the financial budgets for 2024.
8. To consider and, if thought fit, approve the re-appointment of Deloitte Touche Tohmatsu as the auditors of the Company for 2024 and its remuneration.

SPECIAL RESOLUTIONS

9. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal

NOTICE OF 2024 ANNUAL GENERAL MEETING

with additional Shares (including securities convertible into Shares and any sale or transfer of treasury Shares out of treasury) in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

- (b) the aggregate number of Shares (including securities convertible into Shares) allotted or agreed conditionally or unconditionally to be allotted (including any sale or transfer of treasury Shares out of treasury) by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of options under a share option scheme of the Company (if applicable) ; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued Shares (excluding any treasury Shares) of the Company as of the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF 2024 ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its H Shares and to deal with the same and other related matters in accordance with all applicable laws, rules and regulations;
- (b) the total number of H Shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued H Shares (excluding any treasury Shares) of the Company as of the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

11. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“THAT conditional upon resolutions numbered 9 and 10 set out in the notice convening this meeting (the **“Notice”**) being passed, the general and unconditional mandate granted to the directors of the Company pursuant to resolution numbered 9 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of Shares repurchased under the authority granted pursuant to resolution numbered 10 set out in the Notice, provided that such amount shall not exceed 10% of the total number of issued H Shares (excluding any treasury Shares) of the Company as of the date of passing this resolution.”

NOTICE OF 2024 ANNUAL GENERAL MEETING

12. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the Application for Credit Facilities and Provision of Guarantees as set out in the circular of the Company dated May 16, 2024 be and is hereby approved;
 - (b) subject to paragraph (c) below, the Board (and any person(s) authorized by the Board) be and is hereby authorized to consider, approve, handle, and take all such actions and execute all such documents or instruments for and on behalf of the Company (and/or any of its subsidiaries) as necessary or expedient or desirable and make arrangements for all specific matters within the scope of, relating to, in connection with, or to effect, the Application for Credit Facilities and Provision of Guarantees, so far as permitted by applicable laws and regulations; and
 - (c) the authorizations granted in paragraphs (a) and (b) above shall be valid from the date of passing of this resolution until the conclusion of the next annual general meeting of the Company.”
13. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“**THAT:**

- (a) the proposed amendments (“**Proposed Amendments**”) to the existing Articles of Association as presented in the circular of the Company dated May 16, 2024 and the adoption of the amended Articles of Association incorporating the Proposed Amendments (the “**Proposed Adoption**”) be and are hereby approved, and shall take effect on the later of (i) the passing of this resolution, or (ii) July 1, 2024, being the effective date of the New PRC Company Law (新《中華人民共和國公司法》); and
- (b) the Board (and any person(s) authorized by the Board) be and is hereby authorized to do all such acts, deeds and things and execute all such documents and make all such arrangements (including but not limited to filling in the page numbers in the table of contents of the Articles of Association) that he/she shall, in his/her absolute discretion, deem necessary or expedient or desirable to give effect to, or in connection with, or arising from the Proposed Amendments and the Proposed Adoption, and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the PRC and Hong Kong.”

Yours faithfully,
For and on behalf of the Board
Beijing Luzhu Biotechnology Co., Ltd.
Mr. KONG Jian
Chairman and Executive Director

Hong Kong, May 16, 2024

NOTICE OF 2024 ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy/more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at 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 less than 24 hours before the time appointed for the meeting (i.e. not later than 10:00 a.m. on Tuesday, June 11, 2024) or the adjourned meeting (as the case may be). Completion and return 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. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Thursday, June 6, 2024 to Wednesday, June 12, 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all 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 Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 5, 2024.
5. Holders of Shares shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the Annual General Meeting. If corporate Shareholders appoints authorized representative to attend the Annual General Meeting, the authorized representative shall produce his/her identity documents and a notarially certified copy of the relevant authorization instrument signed by the board of directors or other authorized parties of the corporate Shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy forms signed by the Shareholders or their attorneys when attending the Annual General Meeting.
6. References to time and dates in this notice are to Hong Kong time and dates.