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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司).

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

If you have sold or transferred all your shares in Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司), you should at once hand this circular and the accompanying form(s) 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.



Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團（天津）股份有限公司

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

(Stock Code: 6821)

(1) PROPOSED CHANGES AND DELAY IN THE USE OF PART OF PROCEEDS, AND ESTABLISHMENT OF A NEW PROCEEDS-FUNDED PROJECT;
(2) PROPOSED ELECTION AND APPOINTMENT OF DIRECTORS;
(3) PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS AND REPEAL OF THE RULES OF PROCEDURES FOR THE BOARD OF SUPERVISORS;
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(5) PROPOSED AMENDMENTS TO THE INTERNAL RULES;
(6) NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025; AND
(7) NOTICE OF THE THIRD H SHARES CLASS MEETING OF 2025

A letter from the Board is set out on pages 4 to 25 of this circular. Notices convening the EGM on Wednesday, 6 August 2025 at 2:00 p.m. and after the conclusion of the EGM and the A Shares Class Meeting, the H Shares Class Meeting to be held physically at No. 71, 7th Street, Economic – Technological Development Area, Tianjin, PRC are set out on pages 212 to 218 of this circular and published and available for downloading on the websites of The Stock Exchange of Hong Kong Limited (**www.hkexnews.hk**) and of the Company (**www.asymchem.com**).

Whether or not you are able to attend the EGM and the H Shares Class Meeting, you are reminded to complete, sign and return the corresponding form(s) of proxy in accordance with the instructions printed thereon to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the time fixed for holding the EGM and the H Shares Class Meeting (i.e., not later than 2:00 p.m. on Tuesday, 5 August 2025 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and the H Shares Class Meeting or any adjournment thereof (as the case may be) if you so wish.

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

22 July 2025

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

"A Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed for trading on the Shenzhen Stock Exchange and traded in Renminbi
"A Shareholder(s)"	holder(s) of A Shares
"A Shares Class Meeting"	the third A Shares class meeting of 2025 of the Company to be held on Wednesday, 6 August 2025
"ADCs"	antibody-drug conjugates
"Articles of Association"	the articles of association of the Company currently in force (as amended from time to time)
"Audit Committee"	the audit committee of the Company
"Board" or "Board of Directors"	the board of directors of the Company, from time to time
"Board of Supervisors"	the board of supervisors of the Company
"CDMO"	Contract Development Manufacturing Organization, a company that mainly provides CMC, drug development and drug manufacturing services in the pharmaceutical industry
"China" or "PRC"	the People's Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Class Meetings"	the A Shares Class Meeting and the H Shares Class Meeting
"Company", "our Company" or "Asymchem"	Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司), a company established under the PRC laws on 8 October 1998, the A Shares of which are listed on the Shenzhen Stock Exchange and the H Shares of which are listed on the Hong Kong Stock Exchange
"CSRC"	China Securities Regulatory Commission

"Director(s)"	the director(s) of the Company, from time to time
"EGM"	the second extraordinary general meeting of 2025 of the Company to be held physically at 2:00 p.m. on Wednesday, 6 August 2025 at No. 71, 7th Street, Economic – Technological Development Area, Tianjin, PRC, or any adjournment thereof
"GLP-1"	glucagon-like peptide-1 agonists are a class of medications utilized in the treatment of type 2 diabetes and obesity
"Group" or "our Group"	the Company and its subsidiaries from time to time
"H Share(s)"	the overseas listed foreign shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange
"H Shares Class Meeting"	the third H Shares class meeting of 2025 of the Company to be held physically on Wednesday, 6 August 2025 after the conclusion of the EGM and the A Shares Class Meeting
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"H Shareholder(s)"	holder(s) of H Shares
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Latest Practicable Date"	17 July 2025, being the latest practicable date for the purpose of ascertaining certain information contained herein
"Notice of EGM"	the notice of the EGM dated 22 July 2025, a copy of which is set out on pages 212 to 215 of this circular

"Nomination Committee"	the nomination committee of the Company
"Notice of H Shares Class Meeting"	the notice of the H Shares Class Meeting dated 22 July 2025, a copy of which is set out on pages 216 to 218 of this circular
"PRC Company Law"	the Company Law of the PRC
"PRC Securities Law"	the Securities Law of the PRC
"Proceeds"	the net proceeds from the Company's global offering and partial exercise of the over-allotment option in 2021 and from the Company's A Share non-public offering in September 2020
"R&D"	research and development
"RMB"	Renminbi, the lawful currency of the PRC
"Self-Regulatory Guidelines No. 1 (《自律監管指引第1號》)"	Self-Regulatory Guidelines No. 1 for the Companies Listed on the Shenzhen Stock Exchange – Standardized Operation of Main Board Listed Companies (《深圳證券交易所上市公司自律監管指引第1號–主板上市公司規範運作》)
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and A Shares
"Shareholder(s)"	the shareholder(s) of the Company
"Shenzhen Listing Rules", "SZSE Listing Rules" or "Listing Rules"	the Rules Governing the Listing of Shares on Shenzhen Stock Exchange
"Shenzhen Stock Exchange"	The Shenzhen Stock Exchange
"State Council"	the State Council of the PRC
"Supervisor(s)"	the supervisor(s) of the Company, from time to time
"%"	per cent



Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團（天津）股份有限公司

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

(Stock Code: 6821)

Executive Directors:
Dr. Hao Hong
Ms. Yang Rui (楊蕊)
Mr. Zhang Da (張達)
Mr. Hong Liang (洪亮)

Non-executive Directors:
Dr. Ye Song
Ms. Zhang Ting (張婷)

Independent Non-executive Directors:
Dr. Sun Xuejiao (孫雪嬌)
Dr. Hou Xinyi (侯欣一)
Mr. Lee, Kar Chung Felix (李家聰)

Registered Office and Head Office in the PRC:
No. 6 Dongting 3rd Street
Economic – Technological Development Area
Tianjin, PRC

Place of Business in Hong Kong:
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

22 July 2025

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED CHANGES AND DELAY IN THE USE OF PART OF PROCEEDS, AND ESTABLISHMENT OF A NEW PROCEEDS-FUNDED PROJECT;
(2) PROPOSED ELECTION AND APPOINTMENT OF DIRECTORS;
(3) PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS AND REPEAL OF THE RULES OF PROCEDURES FOR THE BOARD OF SUPERVISORS;
(4) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
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(6) NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025; AND
(7) NOTICE OF THE THIRD H SHARES CLASS MEETING OF 2025

I. INTRODUCTION

References are made to the announcements of the Company dated 4 July 2025 and 18 July 2025 (collectively, the "**Announcements**") in relation to, among other things, (i) the proposed changes and delay in the use of part of Proceeds, and establishment of a new Proceeds-funded project; (ii) the proposed abolition of the Board of Supervisors and repeal of the Rules of

Procedures for the Board of Supervisors; (iii) the Proposed Amendments to the Articles of Association; and (iv) the Proposed Amendments to the Internal Rules. Unless otherwise specified, capitalized terms used in this circular shall have the same meanings as those defined in the Announcements.

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the EGM and the H Shares Class Meeting to be held physically on Wednesday, 6 August 2025 to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM and the H Shares Class Meeting. For the details of the proposed resolutions at the EGM and H Shares Class Meeting, please also refer to the Notice of EGM and the Notice of H Shares Class Meeting enclosed with this circular.

II. PROPOSED CHANGES IN PART OF THE USE OF PROCEEDS

References are made to the announcement of the Company dated 4 July 2025, which set out the proposed changes in the use of part of the net proceeds from the Company's global offering and partial exercise of the over-allotment option in 2021 (the "**Global Offering Proceeds**") and proposed changes in the use of part of the net proceeds from the Company's A Share non-public offering in September 2020 (the "**A Share Non-Public Offering Proceeds**", together with the "**Global Offering Proceeds**", the "**Proceeds**").

(I) Proposed Changes and Delay in the Use of Part of the Global Offering Proceeds

The total Global Offering Proceeds amounted to approximately HKD7,318.07 million. The table below sets out the planned application of the Proceeds and actual usage up to 31 December 2024 as disclosed in the annual report of the Company for the year ended 31 December 2024.

Use of Global Offering Proceeds	Proportion	Allocation of Global Offering Proceeds *(HKD million)*	Allocation of Global Offering Proceeds *(RMB million)*	Utilized amount (up to 31 December 2024) *(HKD million)*	Unutilized amount (as at 31 December 2024) *(HKD million)*	Expected timeline for utilizing the remaining allocated Global Offering Proceeds
To further enhance the manufacturing capacity and capabilities of our small molecule CDMO solutions	20%	1,463.61	1,195.82	864.18	599.43	
– To construct comprehensive small molecule R&D and manufacturing site and to purchase relevant equipment and machinery	15%	1,097.71	896.86	498.28	599.43	In or before December 2025

Use of Global Offering Proceeds	Proportion	Allocation of Global Offering Proceeds *(HKD million)*	Allocation of Global Offering Proceeds *(RMB million)*	Utilized amount (up to 31 December 2024) *(HKD million)*	Unutilized amount (as at 31 December 2024) *(HKD million)*	Expected timeline for utilizing the remaining allocated Global Offering Proceeds
– To upgrade the equipment and machinery and expand the capacity of our existing manufacturing sites in Tianjin and Dunhua	5%	365.90	298.96	–	–	N/A
To strengthen our emerging services and expand our service offerings	35%	2,561.32	2,092.68	2,527.29	34.03	
– To construct a R&D and manufacturing facility for oligonucleotides and polypeptides in Tianjin and invest in R&D and manufacturing facilities for recombinant DNA products (including mAb) and ADC	20%	1,463.61	1,195.82	1,463.61	–	N/A
– To improve our capabilities related to our biosynthesis solutions and drug products solutions	10%	731.81	597.91	731.81	–	N/A
– To improve our capabilities related to our biosynthesis solutions and drug products solutions and construct a R&D and manufacturing facility in Tianjin for oligonucleotides and polypeptides	5%	365.90	298.95	331.87	34.03	In or before December 2025
To invest in R&D initiatives and maintain our technology leadership	20%	1,463.61	1,195.82	1,463.61	–	
– To upgrade our flow and continuous technology platform	10%	731.81	597.91	731.81	–	N/A
– To fund the R&D initiatives led by our Center of Biosynthesis Technology (CBST)	10%	731.80	597.91	731.80	–	N/A
To strategically set up foreign subsidiaries, engage in overseas investments to further expand production capacities, enhance overseas sales centers, and acquire equity interests in target companies	15%	1,097.71	896.86	167.44	930.27	In or before December 2025
For working capital and general corporate purposes	10%	731.81	597.91	731.81	–	N/A
	100%	**7,318.06**	**5,979.09**	**5,754.33**	**1,563.73**	

Details of the Proposed Changes and Delay in the Use of Part of the Global Offering Proceeds

In light of market conditions and the Company's business needs, the Board proposes the below changes in part of the use of the Proceeds.

Proposed main purposes	**Proportion before the changes**	**Allocation of Global Offering Proceeds before the changes** *(HKD million)*	**Allocation of Global Offering Proceeds before the changes** *(RMB million)*	**Proportion after the changes**	**Allocation of Global Offering Proceeds after the changes** *(HKD million)*	**Allocation of Global Offering Proceeds after the changes** *(RMB million)*	**Expected timeline for utilizing the Remaining allocated Global Offering Proceeds before the changes**	**Expected timeline for utilizing the Remaining allocated Global Offering Proceeds after the changes**
To construct comprehensive small molecule R&D and manufacturing site and to purchase relevant equipment and machinery (the "**Comprehensive Small Molecule Construction Project**")	15%	1,097.71	896.86	13.0%	951.35	777.28	In or before December 2025	In or before December 2028
To improve our capabilities related to our biosynthesis solutions and drug products solutions and construct a R&D and manufacturing facility in Tianjin for oligonucleotides and polypeptides (the "**New Business Capabilities Construction Project**")	5%	365.90	298.95	7.0%	512.26	418.53	In or before December 2025	In or before December 2028
To strategically set up foreign subsidiaries, engage in overseas investments to further expand production capacities, enhance overseas sales centers, and acquire equity interests in target companies (the "**Strategic Overseas Investment and Acquisition Project**")	15%	1,097.71	896.86	15%	1,097.71	896.86	In or before December 2025	In or before December 2028

Reasons for the Proposed Changes and Delay in the Use of Part of the Global Offering Proceeds

The Proposed Changes in Global Offering Proceeds are aligned with the Company's future development strategy. Despite the complex and evolving international economic landscape, the fundamental trend of increasing specialization in the global pharmaceutical industry remains unchanged. Outsourcing penetration rate by big pharmaceutical companies continues to rise, and the sustained activeness of biotech companies is driving the continued expansion of the global CDMO industry. The global pharmaceutical sector is gradually recovering from its most challenging period. The emergence of GLP-1 has opened up substantial incremental market opportunities, and the ongoing momentum in drug categories such as ADCs and small nucleic acid presents new growth opportunities. In response to changes in the global pharmaceutical landscape, corresponding changes were proposed to be made to the use of the Global Offering Proceeds for the three projects above-mentioned:

The Change in relation to the Comprehensive Small Molecule Construction Project

The Company continues to improve capacity utilization efficiency through technological advancement and economies of scale. At the same time, the Company is actively expanding its overseas small molecule R&D and commercial production capacity. Accordingly, the Global Offering Proceeds for the Comprehensive Small Molecule Construction Project will be slightly reduced, and the geographical coverage of the use of the Global Offering Proceeds will be expanded from China to a global scale.

The Change in relation to the New Business Capabilities Construction Project

As the Company's emerging business enters a stage of rapid development, and in response to this trend, the Company proposes to increase investment in R&D and production facilities related to peptides, oligonucleotides, drug product, and synthetic biology solutions in response to this trend.

The Change in relation to the Strategic Overseas Investment and Acquisition Project

The Company is actively advancing its overseas strategic initiatives. In view of the longer construction cycles for overseas capacity and the time required to identify acquisition targets and close the transactions, the expected timeline for completion of use of the Global Offering Proceeds for the Strategic Overseas Investment and Acquisition Project will be moderately extended.

The Directors (including the independent non-executive Directors) are of the view that the Proposed Changes in Global Offering Proceeds are fair and reasonable as they would allow the Company to deploy its financial resources more effectively to enhance the profitability of the Group and are in the best interests of the Company and its Shareholders as a whole. The Proposed Changes in Global Offering Proceeds are subject to the approval of the Shareholders. The Board will continuously assess the plan for the use of the unutilized Global Offering Proceeds and may revise or amend such plan where necessary to cope with the changing market conditions and strive for better business performance of the Group.

(II) Proposed Changes and Delay in the Use of Part of the A Share Non-Public Offering Proceeds

The total A Share Non-Public Offering Proceeds amounted to approximately RMB2,274,960,656.06 (net of expenses related to the offering). The following table sets out the projects funded by the A Share Non-Public Offering Proceeds and the use of the A Share Non-Public Offering Proceeds for such projects as of 30 June 2025:

No.	Implementation entity	Project name	Total investment amount *(RMB0'000)*	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds *(RMB0'000)*	Accumulated investment amount as of 30 June 2025 *(RMB0'000)*	Expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds
1.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Expansion Project of One-stop Service Platform for Innovative Drugs of Asymchem Life Science (Tianjin) Co., Ltd.	68,000.00	2,204.63	2,204.63	N/A
2.	Shanghai Asymchem Biotechnology Co., Ltd. (上海凱萊英生物技術有限公司)	Construction Project of R&D and Production Platform for Biological Macromolecule Innovative Drugs and Preparations	62,236.45	6,551.69	6,551.69	N/A
3.	Asymchem Pharmacy (Jiangsu) Co., Ltd. (凱萊英藥業(江蘇)有限公司)	Biomedical R&D and Production Integration Base Project of Asymchem Pharmacy (Jiangsu) Co., Ltd. (the "**Taixing Project**")	230,938.65	60,000.00	6,632.28	On or before 30 June 2026
4.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Chemical Macromolecule Project of Asymchem Life Science (Tianjin) Co., Ltd.	50,000.00	40,000.00	40,000.00	N/A
5.	Tianjin Asymchem Biotechnology Co., Ltd. (天津凱萊英生物科技有限公司)	Key Green Technology Development and Industrialization Project of Tianjin Asymchem Biotechnology Co., Ltd.	40,000.00	13,257.10	13,257.10	N/A

No.	Implementation entity	Project name	Total investment amount *(RMB0'000)*	Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds *(RMB0'000)*	Accumulated investment amount as of 30 June 2025 *(RMB0'000)*	Expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds
6.	Tianjin Asymchem Biotechnology Co., Ltd. (天津凱萊英生物科技有限公司)	High-end Formulation Pilot and Industrialization Project of Tianjin Asymchem Biotechnology Co., Ltd. (the "**Formulation Pilot and Industrialization Project**")	11,000.00	10,000.00	7,605.01	On or before 30 June 2026
7.	Asymchem Life Science (Jiangsu) Co., Ltd. (凱萊英生命科學技術(江蘇)有限公司)	Pharmaceutical R&D Center Project of Asymchem Life Science (Jiangsu) Co., Ltd. (the "**R&D Center Project**")	30,000.00	20,000.00	11,601.30	On or before 30 June 2026
8.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)	Phase I Project of the Construction of Continuous Reaction Technology Service Platform of Asymchem Life Science (Tianjin) Co., Ltd. (the "**Continuous Reaction Technology Project**")	12,000.00	10,000.00	9,999.97	On or before 30 June 2025
9.	Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司)	To supplement working capital	66,057.20	66,057.20	66,057.20	N/A
				228,070.62	**163,909.18**	

Specific Scheme for the Proposed Changes in A Share Non-Public Offering Proceeds

To align with the Company's development strategy, and for the purpose of effectively improving the efficiency of the use of the A Share Non-Public Offering Proceeds, the Company intends to change the use of the remaining A Share Non-Public Offering Proceeds allocated to the Taixing Project, under which the remaining A Share Non-Public Offering Proceeds in the Taixing Project will be (i) reallocated to a new project – the Chemical Macromolecule Integrated R&D and Manufacturing Project of Asymchem Life Science (Tianjin) Co., Ltd. (the "**Chemical Macromolecule Integration Project**"), and (ii) reallocated to the Formulation Pilot and Industrialization Project, with the expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds to be extended to 30 June 2027. In addition, the expected timeline to fully utilize the allocated A Share Non-Public Offering Proceeds for the R&D Center Project will be extended to 31 December 2028 (the "**Proposed Changes in A Share Non-Public Offering Proceeds**"). The particulars are as follows:

Project name	**Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds (before the Proposed Changes in A Share Non-Public Offering Proceeds)** *(RMB0'000)*	**Unused A Share Non-Public Offering Proceeds (before the Proposed Changes in A Share Non-Public Offering Proceeds)** *(RMB0'000)*	**Amount of the Proposed Changes in A Share Non-Public Offering Proceeds** *(RMB0'000)*	**Investment amount proposed to be funded by the A Share Non-Public Offering Proceeds (after the Proposed Changes in A Share Non-Public Offering Proceeds)** *(RMB0'000)*	**Expected timeline for utilizing the remaining allocated A Share Non-Public Offering Proceeds before the changes**	**Expected timeline for utilizing the remaining allocated A Share Non-Public Offering Proceeds after the changes**
The Taixing Project	60,000.00	53,367.72	(53,367.72)	6,632.28	On or before 30 June 2026	–
The Chemical Macromolecule Integration Project	–	–	47,367.72	47,367.72	–	On or before 31 December 2028
The Formulation Pilot and Industrialization Project	10,000.00	2,394.99	6,000.00	16,000.00	On or before 30 June 2026	On or before 30 June 2027
The R&D Center Project	20,000.00	8,398.70	–	20,000.00	On or before 30 June 2026	On or before 31 December 2028

Information on the Proposed Changes in A Share Non-Public Offering Proceeds

(A) Proposed Changes in A Share Non-Public Offering Proceeds for the Taixing Project

1. Original Investment Plan and Use of Proceeds for the Taixing Project

At the inception of the Taixing Project, the Company planned to leverage its accumulated technological advantages in the field of chemical drugs to build a sustainable model characterized by low energy consumption, low emissions, and high efficiency. The objective was to enhance its integrated R&D and manufacturing capabilities for small molecule projects, support the development and commercialization of innovative drugs for indications such as diabetes, cardiovascular and cerebrovascular diseases, immune system disorders, and oncology, thereby strengthening its competitiveness in domestic and overseas markets and promoting the healthy and sustainable development of the pharmaceutical industry.

The total investment amount in the Taixing Project was RMB2,309.39 million, of which RMB600 million was originally intended to be funded by the A Share Non-Public Offering Proceeds, which included RMB214.36 million for construction works, RMB269.48 million for equipment procurement, and RMB116.16 million for installation works. The construction scope included one new manufacturing workshop, one production control center, one R&D building, and various ancillary facilities for R&D, production, and environmental protection. A total of 218 units of R&D and production equipment and 17 auxiliary systems were to be procured to support the R&D and commercial-scale production of small molecule CDMO services.

According to preliminary estimates, the Taixing Project was expected to generate a total return on investment of no less than 14.31%, with an investment payback period of less than 7.32 years (including the construction period), indicating sound economic benefits and alignment with the Company's long-term development objectives.

As of 30 June 2025, the Company had invested approximately RMB66.32 million in the Taixing Project using the A Share Non-Public Offering Proceeds, with RMB533.68 million remaining unutilized, representing progress in use of A Share Non-Public Offering Proceeds of 11.05%. The Taixing Project was determined after careful analysis based on then-prevailing market conditions, industry trends, and the Company's actual circumstances, and was consistent with the Company's development strategy at the time.

2. Reasons for the Proposed Changes in A Share Non-Public Offering Proceeds for the Taixing Project

Although the feasibility of the Taixing Project had been fully demonstrated in the early stage, considering changes in market dynamics and the Company's operating conditions, the Company believes that, as the overall efficiency of its small molecule capacity continues to improve through technologies such as continuous flow technology

and with the benefit of economies of scale, the demand for capacity in the chemical macromolecule business and drug product business for new molecular types segments has become significantly more urgent. As such, the Company proposes to reallocate part of the A Share Non-Public Offering Proceeds originally intended for enhancing small molecule capabilities to these two business segments, which is expected to improve the efficiency of fund utilization and provide a solid foundation for sustaining the Company's growth. In addition, the construction of the Taixing Project will continue to be advanced in phases by the Company using other types of funds.

This change in the use of A Share Non-Public Offering Proceeds is a prudent decision made after careful consideration. The Company will continue to invest in the construction of the Taixing Project in phases using its own funds, based on the ongoing execution of small molecule project orders.

(B) The New Chemical Macromolecule Integration Project to Be Funded by the A Share Non-Public Offering Proceeds and Delay in the Expected Timeline

The Company intends to reallocate the remaining RMB473.68 million of the unused A Share Non-Public Offering Proceeds in the Taixing Project to a new project, namely the Chemical Macromolecule Integration Project of Asymchem Life Science (Tianjin) Co., Ltd.

1. Basic Information of the Project and Investment Plan

   (1) Project name: the Chemical Macromolecule Integrated R&D and Manufacturing Project of Asymchem Life Science (Tianjin) Co., Ltd.

   (2) Project implementation entity: Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)

   (3) Project implementation location: Western District of the Economic – Technological Development Area, Tianjin, China

   (4) Project construction period: 48 months

   (5) Project investment amount: RMB508.00 million, including approximately RMB486.97 million for fixed assets investment and approximately RMB11.03 million for initial working capital. The Company intends to use RMB473.68 million of the A Share Non-Public Offering Proceeds to implement this project, with the remaining balance settled through self-financing of the Company.

   (6) Project construction: The project involves the construction of one quality control building and installation of 650 units/sets of R&D and manufacturing equipment for oligonucleotide, peptide, and oncology drug production in existing production workshops.

2. Basic information of the project implementation entity

Entity: Asymchem Life Science (Tianjin) Co., Ltd. (凱萊英生命科學技術(天津)有限公司)

Legal representative: Li Nan (李楠)

Registered capital: RMB70,000,000

Date of incorporation: 30 December 2005

Business scope: General items: R&D of industrial enzyme formulation; technical services, technology development, technology consulting, technology exchanges, technology transfer and technology promotion; R&D of the fermentation process optimization technology; manufacturing of pharmaceutical special equipment; sales of pharmaceutical special equipment; manufacturing of special chemical products (excluding hazardous chemicals); sales of special chemical products (excluding hazardous chemicals); medical research and experimental development; general cargo warehouse services (excluding items subject to licensing like hazardous chemicals); non-residential real estate leasing; leasing of special equipment; sales of experimental analysis instrument; sales of pumps and vacuum equipment; sales of industrial automation control system equipment; sales of special equipment; sales of special ceramic products; (Except for items subject to approval in accordance with the law, business activities shall be carried out independently under the business license in accordance with the law). Approved items: pharmaceutical production; entrusted manufacturing of pharmaceutical products; manufacturing of special equipment; technology import and export; import and export of goods. (Items subject to approval in accordance with the law shall only be conducted upon the approval by the relevant authorities, and the specific business projects are subject to the approval documents or permits of the relevant authorities) (Not allowed to invest in the areas prohibited from foreign investment in the Negative List for Foreign Investment Access)

Shareholder: It is wholly-owned by Asymchem Laboratories (Tianjin) Co., Ltd.

Financial position:

Items	**31 December 2024** *(RMB)*	**31 March 2025** *(RMB)*
Total assets	3,073,514,644.17	3,377,898,825.87
Total liabilities	2,080,120,300.01	2,317,580,947.56
Net assets	993,394,344.16	1,060,317,878.31
Operating revenue	1,597,172,881.12	400,925,274.15
Net profit	52,163,151.56	63,239,020.37

(The financial information for 2024 has been audited by Ernst & Young Hua Ming LLP, while the financial information as of 31 March 2025 has not been audited)

3. Project feasibility analysis

(1) Project background

In recent years, driven by factors such as population aging, increased life expectancy, improved affordability, and the continuous introduction of innovative drugs, the global pharmaceutical market has maintained steady growth. The pharmaceutical industry is undergoing accelerated specialization across the value chain, with emerging sub-sectors rapidly taking shape. Meanwhile, supportive policies – such as the implementation of the Marketing Authorization Holder (MAH) system, the "4+7" centralized drug procurement and medical insurance negotiations, and the reform of the new drug review and approval process – have further fueled the explosive growth of China's innovative drug market. In particular, chemical macromolecule drugs represented by nucleic acid and peptide therapies have seen an accelerating pace of regulatory approvals in recent years. Multiple candidates with blockbuster potential have released positive clinical data, covering areas such as metabolic diseases, liver diseases, and various rare diseases, attracting widespread attention. With advantages including broad targetability, short development cycles, and high specificity, as well as breakthroughs in chemical modification and delivery technologies, chemical macromolecule drugs are expected to become the third major drug category, following small molecule drugs and monoclonal antibodies.

At present, the Company has already provided CMC services for multiple preclinical and clinical-stage oligonucleotide drug candidates. Leveraging its specialized service capabilities, robust management system, and mature supply chain, the Company has significantly contributed to accelerating its clients' drug development processes. The proposed new project – the Chemical Macromolecule Integration Project of Asymchem Life Science (Tianjin) Co., Ltd. – will build upon the Company's deep CDMO expertise and existing CMMD R&D platform to rapidly expand production capacity and project volume, and enhance the Company's ability to execute and deliver multiple projects in parallel at speed.

(2) Necessity analysis of project implementation

① The project is in line with national and local development plans and industrial policies

In recent years, with the deepening of national healthcare system reform, policy bottlenecks that had previously constrained the development of innovative pharmaceutical enterprises have been gradually removed, and the supply quality of the pharmaceutical industry has significantly improved. Changes in the national regulatory regime, legal and policy frameworks have continued to support the development of the pharmaceutical industry, in particular the innovative drug segment. New policies on drug approval and review have had a positive impact on the R&D of innovative drugs. Multiple

ministries have jointly issued the Guidelines for the Development Plan of Pharmaceutical Industry (《醫藥工業發展規劃指南》), supporting the development of chemical macromolecule-related projects. Drug pricing reform and the inclusion of drugs in the medical insurance reimbursement system have also played a facilitative role in the sales of innovative drugs. The country has further strengthened capital market support for the implementation of innovation-driven development strategies, enhancing the financing capabilities of innovative drug companies. These changes are collectively promoting the transformation of China's biopharmaceutical industry – from generics to innovation, and from a major pharmaceutical country to a strong one.

② The construction of the project is conducive to accelerating the launch of innovative drugs in major disease treatment areas in China and enhancing international influence

Relying on the Company's leading technologies, the project will continue to promote the translational application of relevant technologies in the preparation of innovative drugs targeting oncology, metabolism, cardiovascular and cerebrovascular diseases, and other therapeutic areas. It aims to provide new treatment options for patients, meet the needs for the prevention and treatment of major and high-incidence diseases in China and its surrounding regions, help break the technological blockade imposed by foreign pharmaceutical giants on relevant innovative drugs, and accelerate the launch process of such drugs. In doing so, the project is expected to enhance China's R&D and manufacturing capabilities in innovative pharmaceuticals, promote the upgrading of the pharmaceutical industry at both the regional and national levels, and strengthen international influence.

③ The construction of the project is conducive to promoting the healthy and green development of China's pharmaceutical industry

Green development has become one of the key objectives for the development of China's pharmaceutical industry. This project mainly engages in the R&D and commercial production of chemical macromolecule drugs. Compared with traditional chemical drug manufacturing, it is more environmentally friendly and aligns with the national green development strategy. From the start of implementation, Asymchem has adhered to international CDMO standards and has set safety, cost reduction, efficiency improvement, and the reduction of the three wastes and energy consumption as its development goals.

4. Economic benefit analysis of the project

When the project is completed and put into operation, the after-tax static investment payback period (including the construction period) is expected to be 9.19 years with an after-tax internal rate of return of 13.51%. Therefore, the project offers good economic benefits. The aforementioned economic analysis is only based on the Company's calculations according to the current market conditions, and does not represent the Company's actual profit guarantee for the project. Investors of the Company are advised to be aware of such investment risks.

5. Filing, environmental impact assessment and other relevant procedures for the project

The Company received the project filing certificates (project code: 2411-120316-89-01- 342131; 2406-120316-89-01-260828; 2307-120316-89-05-832629;2505-120316-89-01-428834; 2501-120316-89-116876) from the Administrative Examination and Approval Bureau of Tianjin Economic and Technological Development Zone (Nangang Industrial Zone) (天津經濟技術開發區(南港工業區)行政審批局) and obtained the real estate ownership certificate No. Jin (2024) Economic Development Zone Real Estate No. 0300500 (津(2024)開發區不動產權第0300500號) for the proposed new project. Other environmental impact assessment procedures are underway.

(C) The Proposed Changes in A Share Non-Public Offering Proceeds for the Formulation Pilot and Industrialization Project and Delay in the Expected Timeline

In light of the robust development of the Company's drug product business, the Company proposes to increase the investment amount in the Formulation Pilot and Industrialization Project and extend the timeline for its completion. The particulars are as follows:

	Before the Proposed Changes in A Share Non-Public Offering Proceeds		**After the Proposed Changes in A Share Non-Public Offering Proceeds**	
Item	**Total investment amount** *(RMB0'000)*	**Committed investment amount** *(RMB0'000)*	**Total investment amount** *(RMB0'000)*	**Committed investment amount** *(RMB0'000)*
Amount of Proceeds committed to be used for the Formulation Pilot and Industrialization Project	11,000	10,000	17,195.60	16,000
Date of reaching the expected conditions for use	30 June 2026		30 June 2027	

After the Proposed Changes in A Share Non-Public Offering Proceeds for the Formulation Pilot and Industrialization Project, the after-tax static investment payback period (including the construction period) is expected to be 8.04 years with an after-tax internal rate of return of 9.21%. Therefore, the project offers good economic benefits. The aforementioned economic analysis is only based on the Company's calculations according to the current market conditions, and does not represent the Company's actual profit guarantee for the project. Investors of the Company are advised to be aware of such investment risks.

The Company received the project filing certificate (project code: 2403-120316-89-01-687765) from the Administrative Examination and Approval Bureau of Tianjin Economic and Technological Development Zone (Nangang Industrial Zone) (天津經濟技術開發區(南港工業區)行政審批局) for the changes in the investment amount for the Formulation Pilot and Industrialization Project. Other environmental impact assessment procedures are underway.

(D) The Delay in the Expected Timeline in the Use of the A Share Non-Public Offering Proceeds for the R&D Center Project

Although the Company had conducted sufficient feasibility assessments for its proceeds-funded projects in the early stages, there remain various uncontrollable factors during the actual construction and implementation process. As of the Latest Practicable Date, the construction works of main body of the R&D Center Project have been substantially completed. However, the procurement of certain major imported R&D equipment and custom-manufactured equipment has lagged behind the original schedule, which has to some extent affected the overall progress of this project. In addition, in line with the Company's overall development strategy, while maintaining a high utilization rate of small molecule capacity and ensuring order fulfillment, the capital expenditure for small molecule capacity has been paced at a reasonable rate, resulting in the overall progress of the R&D Center Project falling short of the original schedule and being unable to reach the expected usable condition within the expected timeline.

In view of the above, based on the actual construction progress of the R&D Center Project and the Company's development strategy, and from the perspective of long-term planning, the Company proposes, after careful consideration, to extend the timeline for the R&D Center Project to reach the expected usable condition to December 2028, without changing the project implementation entity, implementation method, use of proceeds or total investment amount.

Impact of the Proposed Changes in the Use of Part of the A Share Non-Public Offering Proceeds on the Company

The proposed changes in the use of part of the A Share Non-Public Offering Proceeds, the establishment of a new project, the adjustment of the investment amount for certain projects, and the extension of the implementation timeline for certain projects are prudent decisions made by the Company after comprehensive assessment of the external market environment, project implementation needs, and the Company's strategic plan for future business development. These changes are conducive to improving the efficiency in the use of the A Share Non-Public Offering Proceeds, optimizing the Company's capacity layout and

operational efficiency, and enhancing the Company's overall competitiveness. The changes are in line with the Company's development strategy and long-term interests, as well as the interests of all Shareholders. They do not prejudice the interests of the Company or its Shareholders, especially minority Shareholders, nor will they have any material adverse impact on the Company's operations.

Opinions of Directors

The Directors (including the independent Non-executive Directors) are of the view that the Proposed Changes in A Share Non-Public Offering Proceeds, the establishment of a new project, the adjustment of the investment amount for certain projects, and the extension of the implementation timeline for certain projects are in line with the Company's long-term strategic plan and current development needs. These changes are conducive to improving the efficiency in the use of the Proceeds and are in the interests of the Company and all Shareholders. Accordingly, the Directors (including the independent Non-executive Directors) agreed to the proposed changes and resolved to submit the relevant proposal to the general meeting for consideration.

Review Opinions of the Board of Supervisors of the Company

The board of supervisors of the Company is of the view that the Proposed Changes in A Share Non-Public Offering Proceeds, the establishment of a new project, the adjustment of the investment amount for certain projects, and the extension of the implementation timeline for certain projects are in line with further operation and development plans of the Company. It is conducive to improving the use efficiency of the Proceeds and in line with the interests of the Company and all Shareholders. Necessary legal procedures have been carried out for these adjustments, which are in line with the Listing Rules of Shenzhen Stock Exchange, the Self-Regulatory Guidelines No. 1 (《自律監管指引第1號》), and other relevant laws, regulations and normative documents as well as the Articles of Association, and the Management Measures for Proceeds. The board of supervisors of the Company agreed to the proposal and agreed to submit it to the general meeting for consideration.

Opinions of the A Share Sponsor

Upon verification, the sponsor of the A Shares is of the view that the Proposed Changes in A Share Non-Public Offering Proceeds, the establishment of a new project, the adjustment of the investment amount for certain projects, and the extension of the implementation timeline for certain projects are in line with the development needs of the Company, and conducive to improving the use efficiency of the Proceeds. The Company has carried out necessary review procedures for the above proposals, which are in line with the Listing Rules of Shenzhen Stock Exchange, the Self-Regulatory Guidelines No. 1 (《自律監管指引第1號》), and other relevant laws, regulations. The sponsor of the A Shares agreed with the proposal.

The resolution has been considered and approved by the Board on 4 July 2025 and is hereby proposed at the EGM for consideration and approval.

III. PROPOSED ELECTION AND APPOINTMENT OF DIRECTORS

Reference is made to the announcement of the Company dated 18 July 2025 in relation to, among others, the election of the fifth session of the Board, including the proposed appointment of an independent non-executive Director. Among the existing Directors of the fourth session of the Board, Mr. Lee, Kar Chung Felix (李家聰) ("**Mr. Lee**"), an independent non-executive Director, has decided to retire from the office as an independent non-executive Director following the expiration of the term of the fourth session of the Board, and therefore he will not stand for re-election as a Director of the fifth session of the Board. The Board, having considered the recommendations of the Nomination Committee, has proposed the appointment of Mr. Xie Weikai (謝維愷) to succeed Mr. Lee as an independent non-executive Director.

In light of the above, the Board, having considered the recommendations of the Nomination Committee, has proposed to elect the following candidates (the "**Proposed Directors**") as Directors of the fifth session of the Board:

(i) Dr. Hao Hong, Ms. Yang Rui (楊蕊) and Mr. Zhang Da (張達) as the proposed executive Directors of the fifth session of the Board;

(ii) Dr. Ye Song and Ms. Zhang Ting (張婷) as the proposed non-executive Directors of the fifth session of the Board; and

(iii) Dr. Sun Xuejiao (孫雪嬌), Dr. Hou Xinyi (侯欣一) and Mr. Xie Weikai (謝維愷) as the proposed independent non-executive Directors of the fifth session of the Board.

Save for Mr. Xie Weikai (謝維愷) who is a newly proposed independent non-executive Director, the Proposed Directors are all existing Directors. Pursuant to the Company Law and the Guidelines for the Articles of Association of Listed Companies, Mr. Hong Liang (洪亮) was elected as an employee representative director of the Company by the employees' representative assembly, effective from the date of approval of the proposed amendments to the Articles of Association in relation to the rules regarding employee representative director at the EGM, and is not subject to the approval by the EGM.

The proposed election and appointment of the Proposed Directors will be subject to the approval of the Shareholders at the EGM by way of ordinary resolutions under cumulative voting in accordance with the Articles of Association. The biographical details and remuneration of the Proposed Directors are set out in Appendix I to this circular.

All of the Proposed Directors meet the qualification requirements to serve as Directors as stipulated in relevant laws, regulations and the Articles of Association. They will officially assume office when the resolution on election of the fifth session of the Board is approved by the Shareholders at the EGM, at which the fifth session of the Board will be established, with a term of office expiring when the term of the fifth session of the Board (three years) ends.

As at the Latest Practicable Date and as far as the Board is aware, save as disclosed in Appendix I to this circular, each of the Proposed Directors has confirmed that (i) he/she does not hold directorship in other listed companies for the past three years, has no any other major appointment and professional qualifications nor any position in the Group for the last three years; (ii) he/she does not have any relationship with any director, supervisor, senior management or substantial or controlling shareholder (as defined under the Hong Kong Listing Rules) of the Company; and (iii) he/she does not have any interest in the shares of the Company or its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed in Appendix I to this circular, there is no other information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules, nor are there other matters regarding the appointment of the Proposed Directors as executive Directors, non-executive Directors or independent non-executive Directors which need to be brought to the attention of the Shareholders. The Proposed Directors have not been subject to any penalty or punishment imposed by the CSRC or any other relevant authorities or stock exchanges.

As at the Latest Practicable Date, the Company has not entered into any service contract with the Proposed Directors in relation to the appointment of Directors for the fifth session of the Board. Upon approval of the appointment of the Proposed Directors at the EGM, the Company will enter into service contracts with the Proposed Directors. The executive Directors will not receive any director's fees but will receive corresponding remuneration in accordance with the operational results of the Group and their work performance in the Group. The non-executive Directors will not receive any remuneration from the Company during their terms of office. Each of the independent non-executive Directors will receive an annual allowance of RMB150,000 (before tax) from the Company during his/her term of office. The details of the remuneration of the Directors will be disclosed in the annual report of the Company. Each of the Directors shall be eligible for re-election upon expiry of their terms of office pursuant to the Articles of Association.

The Nomination Committee assisted the Board in the selection and nomination process for the proposed independent non-executive Directors. The Nomination Committee followed the board diversity policies of the Company and has evaluated the director candidates based on criteria including but not limited to their character and integrity, professional qualifications, skills, knowledge, experience, and willingness and ability to devote adequate time to discharge duties as members of the Board. The Nomination Committee considers that the proposed independent non-executive Directors have a balanced mix of knowledge, skills and experience in areas including finance, accounting, business administration and healthcare, and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. In particular, the Nomination Committee has assessed and reviewed the written confirmation of independence of Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Xie Weikai based on the independence criteria as set out in Rule 3.13 of the Hong Kong Listing Rules, and is satisfied that Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Xie Weikai are independent in accordance with Rule 3.13 of the Hong Kong Listing Rules. Accordingly, the Nomination Committee has recommended to the Board on election of all the proposed independent non-executive Directors.

IV. PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS AND REPEAL OF THE RULES OF PROCEDURES FOR THE BOARD OF SUPERVISORS

Reference is made to the announcement of the Company dated 18 July 2025 in relation to proposed abolition of the Board of Supervisors and repeal of the Rules of Procedures for the Board of Supervisors, and the Proposed Amendments to the Articles of Association (as defined therein) and the Proposed Amendments to the Internal Rules (as defined therein). Pursuant to the Company Law and the Guidelines to the Articles of Association of Listed Companies (《上市公司章程指引》) and Rules for Shareholders' Meetings of Listed Companies (《上市公司股東會規則》) and other relevant provisions recently revised by the CSRC, the responsibilities of the supervisory committee of a listed company will transition to the Audit Committee, and the role of supervisors will no longer be mandatory.

In accordance with the above relevant provisions of the Company Law and the relevant requirements of the high-level authorities and taking into account the actual situation of the Company, the Company proposes to abolish the Board of Supervisors, subject to the approval by the Shareholders at the EGM, the Board of Supervisors will no longer be maintained and the powers and functions of the Board of Supervisors shall be exercised by the Audit Committee. The abolition of the Board of Supervisors is accompanied by the repeal of the Rules of Procedures for the Board of Supervisors of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司監事會議事規則》) (the "**Rules of Procedures for the Board of Supervisors**") and other related governance documents. The abolition of the Rules of Procedures for the Board of Supervisors will be subject to the approval of the Shareholders at the EGM by way of special resolutions.

V. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As disclosed in the announcement of the Company dated 18 July 2025, in light of the aforementioned proposed abolition of the Board of Supervisors and repeal of the Rules of Procedures for the Board of Supervisors, the Board proposed to make certain consequential amendments to the Articles of Association (the "**Proposed Amendments to the Articles of Association**"). The Proposed Amendments to the Articles of Association are set out in Appendix II.

A special resolution is being proposed at the EGM to consider and approve the Proposed Amendments to the Articles of Association. The details of the Proposed Amendments to the Articles of Association are set out in Appendix II to this circular, and save for the Proposed Amendments to the Articles of Association, other provisions of the Articles of Association remain unchanged. The non-substantial amendments include adjustments to the numbering of clauses of the Articles of Association and that involved in cross-referencing due to the addition or deletion of certain clauses, which will not be listed item by item.

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

VI. PROPOSED AMENDMENTS TO THE INTERNAL RULES

As disclosed in the announcement of the Company dated 18 July 2025, in light of the Proposed Amendments to the Articles of Association, the Board proposed to amend certain internal rules and policies of the Company (collectively, the "**Proposed Amendments to the Internal Rules**", together with the Proposed Amendments to the Articles of Association, the "**Proposed Amendments**"), including:

(i) the Rules of Procedures for the General Meetings of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司股東大會議事規則》) (the "**Rules of Procedures for the General Meetings**");

(ii) the Rules of Procedures for the Board of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司董事會議事規則》) (the "**Rules of Procedures for the Board**");

(iii) the Working Policy for Independent Non-executive Directors of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司獨立非執行董事工作制度》) (the "**Working Policy for Independent Non-executive Directors**");

(iv) the Administrative Measures for External Guarantees of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司對外擔保管理辦法》) (the "**Administrative Measures for External Guarantees**");

(v) the Administrative Measures for External Investments of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司對外投資管理辦法》) (the "**Administrative Measures for External Investments**");

(vi) the Management and Decision-making System for Related (Connected) Transactions of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司關聯(連)交易管理和決策制度》) (the "**Management and Decision-making Measures for Related (Connected) Transactions**");

(vii) the Administrative Measures for the Use of Proceeds of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司募集資金管理制度》) (the "**Administrative Measures for the Use of Proceeds**");

(viii) the Code of Conduct for Controlling Shareholders of Asymchem Laboratories (Tianjin) Co., Ltd. (《凱萊英醫藥集團(天津)股份有限公司控股股東行為規範》) (the "**Code of Conduct for Controlling Shareholders**").

For the details of the Proposed Amendments to the Internal Rules, please refer to Appendices III to X to this circular.

The English version of the Proposed Amendments to the Internal Rules is for reference only. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

A special resolution is being proposed at the EGM to consider and approve the proposed amendments to (i) the Rules of Procedures for the General Meetings, and (ii) the Rules of Procedures for the Board of Directors, and respective ordinary resolutions are being proposed at the EGM to consider and approve the proposed amendments to (i) the Working Policy for Independent Non-executive Directors, (ii) the Administrative Measures for External Guarantees, (iii) the Administrative Measures for External Investments, (iv) the Management and Decision-making Measures for Related (Connected) Transactions, (v) the Administrative Measures for the Use of Proceeds, and (vi) the Code of Conduct for Controlling Shareholders.

VII. EGM, H SHARES CLASS MEETING AND PROXY ARRANGEMENT

Notices convening the EGM and the H Shares Class Meeting of the Company are set out on pages 212 to 218 of this circular and published and be available for downloading on the websites of the Hong Kong Stock Exchange (**www.hkexnews.hk**) and of the Company (**www.asymchem.com**). The forms of proxy for use at the EGM and the H Shares Class Meeting are enclosed with this circular.

To be valid, whether or not you are able to attend the EGM and the H Shares Class Meeting, each form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, 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 at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time appointed for the EGM and the H Shares Class Meeting (i.e., not later than 2:00 p.m. on Tuesday, 5 August 2025 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the forms of proxy will not preclude you from attending and voting at the EGM and the H Shares Class Meeting if you so wish.

For the purpose of determining the H Shareholders entitled to attend and vote at the EGM and the H Shares Class Meeting, the register of members of the H Shares has been scheduled to close from Tuesday, 5 August 2025 to Wednesday, 6 August 2025 (both days inclusive), during which no transfer of H Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Wednesday, 6 August 2025 shall be entitled to attend and vote at the EGM and the H Shares Class Meeting.

In order to be eligible to attend and vote at the EGM and the H Shares Class Meeting, holders of H Shares whose transfer documents have not been registered are required to deposit all properly completed share transfer forms together with the relevant share certificates to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) for registration no later than 4:30 p.m. on Monday, 4 August 2025.

In accordance with the Hong Kong Listing Rules, any votes of Shareholders at the EGM and the H Shares Class Meeting will be taken by poll. The Company will announce the results of the poll after the EGM and the H Shares Class Meeting in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

VIII. GENERAL

To the best of the Director's knowledge, information and belief, and according to applicable PRC and Hong Kong laws, regulations and regulatory requirements, none of the Shareholders are required to abstain from voting at the EGM and the Class Meetings.

IX. RESPONSIBILITY STATEMENT

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

X. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that all resolutions set out in the notices of the EGM and the Class Meetings for consideration and approval by Shareholders, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions in relation to the above matters to be proposed at the EGM and the Class Meetings.

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairperson of the Board, Executive Director and Chief Executive Officer

PROPOSED EXECUTIVE DIRECTORS

Dr. Hao Hong, aged 69, is currently the Chairperson, an executive Director and the chief executive officer of the Company. Dr. Hao Hong is responsible for the formulation of the strategic direction, business plans and major operational decisions and direct day-to-day management of our brands, sales and daily operation of the Group.

Prior to founding Asymchem Laboratories, Incorporated ("**ALAB**"), a controlling Shareholder of the Company, in November 1995, Dr. Hao Hong has served at North Carolina State University as a postdoctoral research associate and was mainly responsible for conducting scientific research. Dr. Hao Hong founded Chirachem Laboratories (Tianjin) Co., Ltd. (天津凱萊英精細有機化工有限公司, the predecessor of the Company) in October 1998 and was appointed as the Chairperson of the board and the general manager.

Dr. Hao Hong obtained a bachelor's degree of medicine from Sichuan Medical College (四川醫學院, currently known as West China Hospital of Sichuan University (四川大學華西醫院)) in March 1982 and a master's degree of medicine from the China Capital Medical University (中國首都醫科大學) in June 1985. He also obtained a doctorate degree of medicinal chemistry from the Chinese Academy of Medical Sciences (中國醫學科學院) in October 1988.

Dr. Hao Hong is the spouse of Dr. Ye Song (a non-executive Director), the uncle of Mr. Hong Liang (an executive Director and executive vice president).

As at the Latest Practicable Date, Dr. Hao Hong (i) was beneficially interested in 14,268,699 A Shares, and deemed to be interested in 115,133,168 A Shares under the SFO; (ii) was beneficially interested in RMB2,289,157 of the registered capital of Shanghai Asymchem Biotechnology Development Co., Ltd. ("**Asymchem Biotechnology Development**"), an associated corporation of the Company, and deemed to be interested in RMB3,418,800 of the registered capital of Tianjin Yugen Medtech Co., Ltd. (天津有濟醫藥科技發展有限公司) ("**Yugen Medtech**"), an associated corporation of the Company, under the SFO; and (iii) was deemed to be interested in RMB7,920,783 of principal amount of convertible bonds which are not freely transferable but are convertible into shares of Yugen Medtech, an associated corporation of the Company, under the SFO.

Ms. Yang Rui (楊蕊), aged 48, is currently an executive Director and the co-chief executive officer of the Company. Ms. Yang Rui is responsible for the operational decisions and direct day-to-day management of the strategic emerging business segments of the Group.

Ms. Yang Rui joined the Company in April 1999 and successively served several managerial positions in the administration office, import and export department and accounting department, as a deputy general manager and as the executive deputy general manager. Ms. Yang Rui concurrently serves as a director or the Chairperson of the board of directors of several subsidiaries of the Company. Ms. Yang Rui has been serving as a director of Haiying Chuang (Tianjin) Investment Management Co., Ltd. (海英創（天津）投資管理有限公司) since April 2019.

Ms. Yang Rui obtained a bachelor's degree of engineering from Tianjin Institute of Light Industry (天津輕工業學院, currently known as Tianjin University of Science & Technology (天津科技大學)) in July 1999 and a master's degree of EMBA from Peking University in July 2013. She was selected into Tianjin New Entrepreneur Training Project (天津市新型企業家培養工程).

As at the Latest Practicable Date, Ms. Yang Rui (i) was beneficially interested in 60,000 underlying H Shares; (ii) was deemed to be interested in RMB13,734,940 of the registered capital of Asymchem Biotechnology Development, an associated corporation of the Company, under the SFO; and (iii) was deemed to be interested in RMB20,198,135 of principal amount of convertible bonds which are not freely transferable but are convertible into shares of Yugen Medtech, an associated corporation of the Company.

Mr. Zhang Da (張達), aged 44, is currently an executive Director, the chief financial officer and the chief operating officer of the Company. Mr. Zhang Da is responsible for our financial operation, financing and investment activities, and the operation management and business strategy of the Group.

Prior to joining the Company, Mr. Zhang Da joined the CSRC in July 2006 and served for 8 years. Mr. Zhang Da later served as a director, a deputy general manager and the secretary to the board in Beijing Youyuan Online Technology Company Limited (北京友緣在線網絡科技股份有限公司) from December 2014 to May 2018. He has been concurrently serving as an independent director of Hunan Nucien Pharmaceutical Co., Ltd. (湖南南新製藥股份有限公司) since April 2018 and a director of Haiying Chuang (Tianjin) Investment Management Co., Ltd. (海英創（天津）投資管理有限公司) since April 2019.

Mr. Zhang Da obtained a bachelor's degree of engineering from Tianjin University (天津大學) in June 2003 and a master's degree of economics from the Financial Research Institute of The People's Bank of China (中國人民銀行金融研究所) in October 2006.

As at the Latest Practicable Date, Mr. Zhang Da (i) was beneficially interested in 391,000 A Shares; (ii) was beneficially interested in 155,000 underlying H Shares; (iii) was deemed to be interested in RMB4,578,313 of the registered capital of Asymchem Biotechnology Development, an associated corporation of the Company, under the SFO; and (iv) was deemed to be interested in RMB20,198,135 of principal amount of convertible bonds which are not freely transferable but are convertible into shares of Yugen Medtech, an associated corporation of the Company, under the SFO.

PROPOSED NON-EXECUTIVE DIRECTORS

Dr. Ye Song, aged 64, is currently a non-executive Director of the Company. Dr. Ye Song is responsible for advising on our business plans, major decisions, and investment activities.

Dr. Ye Song joined ALAB, a controlling Shareholder of the Company, since it was founded in November 1995 and successively served as a deputy general manager, the general manager, a director and the chief financial officer of ALAB. Dr. Ye Song concurrently serves as a director and/or chief financial officer of several subsidiaries of the Company and has been serving as a director of Tianjin Qingya Tourism Information Consulting Co., Ltd. (天津青亞旅遊信息諮詢有限公司) since March 2017.

Dr. Ye Song obtained a bachelor's degree of science from Peking University in July 1983, a master's degree of science from Peking University in July 1986 and a PhD's degree from North Carolina State University in May 1999.

Dr. Ye Song is the spouse of Dr. Hao Hong, the founder, Chairperson of the Board, executive Director and chief executive officer of the Company.

As at the Latest Practicable Date, Dr. Ye Song was deemed to be interested in 129,401,867 A Shares under the SFO as she is the spouse of Dr. Hao Hong.

Ms. Zhang Ting (張婷), aged 39, is currently a non-executive Director of the Company. Ms. Zhang Ting is responsible for advising on our business plans, major decisions and investment activities and is currently in charge of the Company's operation management office, PCO management, procurement management and other related matters within the Company.

Ms. Zhang Ting joined the group in March 2008 and successively served as a clerk and deputy director of the department of project management and the executive deputy general manager assistant of Asymchem Laboratories, a wholly-owned subsidiary of the Company. She then served as the head of the audit department, the executive deputy general assistant and deputy general manager of the operation management office. Ms. Zhang Ting concurrently serves as a supervisor of several subsidiaries of the Company. Ms. Zhang Ting obtained a bachelor's degree of science from Hubei University (湖北大學) in June 2008.

As at the Latest Practicable Date, Ms. Zhang Ting (i) was beneficially interested in 36,900 A Shares; and (ii) was beneficially interested in 35,000 underlying H Shares.

PROPOSED INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Sun Xuejiao (孫雪嬌), aged 42, a Chinese national with no overseas residence, was appointed as an independent non-executive Director on 18 October 2023 of the Company. Since January 2023, Dr. Sun Xuejiao has served as an independent director of Tianjin Bo'Aosi Biotechnology Co., Ltd. From July 2023, she has also been an independent director of Bohai Securities Co., Ltd.

Since July 2012, Dr. Sun Xuejiao has held various positions at the School of Accounting, Tianjin University of Finance and Economics, including assistant, lecturer, associate professor, and professor. Her main research focuses on corporate taxation and financial and accounting issues in capital markets. She has led multiple research projects supported by the National Natural Science Foundation of China, China Postdoctoral Science Foundation, and Tianjin Social Science Fund. She has also led a sub-project of the National Torch Program. She was selected as a second-tier innovative talent in Tianjin's 131 Innovative Talents Program and has received the third prize for excellent social science achievements in both Tianjin and Fujian provinces.

Dr. Sun Xuejiao obtained a Ph.D. in Accounting from Xiamen University and is a registered accountant in China (non-practicing member). From June 2013 to June 2016, she worked as a postdoctoral researcher at Tianjin Haitai Technology Investment Management Co., Ltd. She is currently a professor at the School of Accounting, Tianjin University of Finance and Economics. In addition, Dr. Sun Xuejiao also holds the CFA-ESG certificate and is a registered ESG analyst.

Dr. Hou Xinyi (侯欣一), aged 65, born in 1960, is a member of the Chinese Peasants and Workers Democratic Party (中國農工民主黨), a juris doctor and a professor of law. He owns Chinese nationality with no right of abode abroad. From September 1983 to May 2000, he worked as a lecturer at Northwest University of Political Science and Law (西北政法大學). From May 2000 to September 2016, he served as a professor and doctoral advisor at the law school of Nankai University (南開大學). From September 2016 to February 2024, he served as a professor and doctoral advisor at the law school of Tianjin University of Finance and Economics (天津財經大學). Since February 2024, Dr. Hou has been a professor and doctoral advisor at the Shandong University School of Law (山東大學法學院).

Dr. Hou's main research direction is Chinese legal history. He has profound knowledge in the fields of traditional Chinese civil law, China's modern and contemporary judicial systems, and the legal history of the Communist Party of China. He had presided over and completed a number of projects such as the National Social Science Fund projects, the social science projects of the Ministry of Justice of the PRC (中國司法部), the social science projects of the Ministry of Education of the PRC (中國教育部), and the scientific research projects of the Supreme People's Court of the PRC (中國最高人民法院). He also published many individual academic works and dozens of academic papers, and won Tianjin Social Science Excellent Achievement Award (天津市社會科學優秀成果獎) and Teaching and Scientific Research Achievement Award from the Ministry of Justice (司法部教學科研成果獎) several times. From October 2013 to October 2023, he served as the executive Chairperson of the China Institute of Legal History (中國法律史學會). From 2007 to 2022, he served as the deputy Chairperson of the Committee of Tianjin Municipality of the Chinese Peasants and Workers Democratic Party (農工民主黨天津市委員會). From 2008 to 2018, he served as a member of the National Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議全國委員會). Dr. Hou currently serves as a special prosecutor (特約檢察員) of the Supreme People's Procuratorate of the PRC (中國最高人民檢察院).

Since May 2020, Dr. Hou has been an independent director of Vcanbio Cell Gene Engineering Co., Ltd. (中源協和細胞基因工程股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600645. SH)). Since October 2022, Dr. Hou has been an independent director of Tianjin Troila Information Technology Co., Ltd. (天津卓朗信息科技股份有限公司) (a company previously listed on the Shanghai Stock Exchange (former stock code: 600225.SH) until its delisting in February 2025. Since May 2025, Dr. Hou has been an independent director of Tianjin Port Co.,Ltd. (天津港股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600717.SH)

Mr. Xie Weikai (謝維愷), aged 35, has extensive experience in equity financing and corporate governance. He began his career at Bain & Company, a global management consulting firm, where he worked from September 2012 to September 2016 across its Hong Kong, Chicago, and London offices. He left the firm as a senior management consultant, having focused primarily on performance improvement for multinational corporations, mergers and acquisitions, and new market entry strategies. Since September 2016, Mr. Xie has been with Zebra Line Management Consulting (Beijing) Co., Ltd. (斑馬行管理諮詢（北京）有限公司), a USD-denominated private equity fund, where he is engaged in private equity investments and post-investment management. He was subsequently promoted to managing director in December 2020. In addition, Mr. Xie has also been serving as the chief executive officer and a board member of Blibee Trading Co., Ltd. (便利蜂商貿有限公司), a company primarily engaged in retail business, since April 2021, where he is responsible for overseeing daily operations as well as equity financing and capital raising initiatives.

Mr. Xie obtained his bachelor's degree of business administration in international business and global management from The University of Hong Kong in November 2012 in Hong Kong.

Set out below are the details of the Proposed Amendments to the Articles of Association:

Before Amendment	After Amendment
Article 1 These Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (hereafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereafter referred to as the "Securities Law"), **the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (hereafter referred to as the "Special Regulations"), the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies, the Mandatory Provisions for Articles of Association of Companies Listing Overseas (hereafter referred to as the "Mandatory Provisions")**, the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (hereafter referred to as the "Zheng Jian Hai Han"), the Guidelines for the Articles of Association of Listed Companies (hereafter referred to as the "Guidelines for the Articles of Association"), the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (hereafter referred to as the "SZSE Listing Rules") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereafter referred to as the "Hong Kong Listing Rules") and other relevant provisions for the purposes of safeguarding the legitimate rights and interests of Asymchem Laboratories (Tianjin) Co., Ltd. (hereafter referred to as the "Company"), its shareholders and creditors as well as regulating the organization and conducts of the Company.	**Article 1** These Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (hereafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereafter referred to as the "Securities Law"), the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (hereafter referred to as the "Zheng Jian Hai Han"), the Guidelines for the Articles of Association of Listed Companies (hereafter referred to as the "Guidelines for the Articles of Association"), the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (hereafter referred to as the "SZSE Listing Rules") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereafter referred to as the "Hong Kong Listing Rules") and other relevant provisions for the purposes of safeguarding the legitimate rights and interests of Asymchem Laboratories (Tianjin) Co., Ltd. (hereafter referred to as the "Company"), its shareholders and creditors as well as regulating the organization and conducts of the Company.
Article 8 Total assets of the Company are divided into shares with same par value per share. The liability of a shareholder of the Company shall be limited to the shares subscribed by that shareholder, and the Company shall hold liable for its debt with all of its assets.	**Article 8** The liability of a shareholder of the Company shall be limited to the shares subscribed by that shareholder, and the Company shall hold liable for its debt with all of its assets.
Article 9 These Articles of Association shall be effective as of the date on which they are reviewed and approved at the general meeting of the Company. From the effective date of these Articles of Association, the original Articles of Association of the Company shall become	**Article 9** These Articles of Association shall be effective as of the date on which they are reviewed and approved at the general meeting of the Company. From the effective date of these Articles of Association, the original Articles of Association of the Company shall become

Before Amendment	After Amendment
invalid automatically. From the date upon which the Articles of Association come into effect, the Articles of Association shall constitute a legally binding document regulating the Company's organization and activities, as well as the rights and obligations between the Company and its shareholders and between the shareholders. These Articles of Association are legally binding upon the Company and its shareholders, directors, **supervisors** and senior management officers. A shareholder may take a legal action against the Company pursuant to the Articles of Association; a shareholder may take a legal action against other shareholders, directors, **supervisors,** Chief Executive Officer (CEO) and other senior management officers of the Company pursuant to these Articles of Association; and the Company may take a legal action against the shareholders, directors, **supervisors,** Chief Executive Officer (CEO) or other senior management officers of the Company pursuant to these Articles of Association. The "senior management officers" referred to in these Articles of Association includes Chief Executive Officer (CEO), co-Chief Executive Officer (Co-CEO), Chief Scientific Officer (CSO), Chief Operating Officer (COO), Chief Financial Officer (CFO), Chief Technology Officer (CTO), Chief Commercial Officer (CBO), and executive vice president, senior vice president, vice president, secretary to the Board of Directors appointed by the Board of Directors and other senior management personnel as determined by the Board of Directors.	invalid automatically. From the date upon which the Articles of Association come into effect, the Articles of Association shall constitute a legally binding document regulating the Company's organization and activities, as well as the rights and obligations between the Company and its shareholders and between the shareholders. These Articles of Association are legally binding upon the Company and its shareholders, directors, and senior management officers. A shareholder may take a legal action against the Company pursuant to the Articles of Association; a shareholder may take a legal action against other shareholders, directors, Chief Executive Officer (CEO) and other senior management officers of the Company pursuant to these Articles of Association; and the Company may take a legal action against the shareholders, directors, Chief Executive Officer (CEO) or other senior management officers of the Company pursuant to these Articles of Association. The "senior management officers" referred to in these Articles of Association includes Chief Executive Officer (CEO), co-Chief Executive Officer (Co-CEO), Chief Scientific Officer (CSO), Chief Operating Officer (COO), Chief Financial Officer (CFO), Chief Technology Officer (CTO), Chief Commercial Officer (CBO), and executive vice president, senior vice president, vice president, secretary to the Board of Directors appointed by the Board of Directors and other senior management personnel as determined by the Board of Directors.
Article 15 The issuance of shares of the Company shall be subject to the open, fair and just principles, and shares of the **same class shall** have the same rights. Shares issued at the same time in the **same class** shall be equal in price and shall be subject to the same conditions. The price paid by any organization or individual for each share **shall be** the same.	**Article 15** The issuance of shares of the Company shall be subject to the open, fair and just principles, and shares of the same class **have** the same rights. Shares issued at the same time in the **are** equal in price and shall be subject to the same conditions. The price paid by any organization or individual for each share **is** the same.

Before Amendment	After Amendment
Article 24 Based on its operating and development needs, the Company may, pursuant to the laws and regulations and with the approval by resolution at the shareholders' general meeting, increase its capital in the following ways: (I) **public** offering of shares; (II) **non-public** offering of shares; (III) **placing new shares to existing shareholders;** (IV) distributing bonus shares to existing shareholders; (V) conversion of capital reserves into share capital; (VI) any other means stipulated in the laws, administrative regulations and **departmental rules** and **approved** by the relevant regulatory authorities. After the Company's increase of share capital by means of the issuance of new shares has been approved in accordance with the provisions of the Articles of Association, it shall be conducted in accordance with the procedures prescribed by the relevant laws, administrative regulations, departmental rules and the relevant regulatory authorities.	**Article 24** Based on its operating and development needs, the Company may, pursuant to the laws and regulations and with the approval by resolution at the shareholders' general meeting, increase its capital in the following ways: (I) offering of shares **to non-specific investors**; (II) offering of shares **to specific investors**; (III) **distributing bonus shares to existing shareholders;** (IV) distributing bonus shares to existing shareholders; (V) conversion of capital reserves into share capital; (VI) any other means stipulated **by** the laws, **and** administrative regulations and by the relevant regulatory authorities. After the Company's increase of share capital by means of the issuance of new shares has been approved in accordance with the provisions of the Articles of Association, it shall be conducted in accordance with the procedures prescribed by the relevant laws, administrative regulations, departmental rules and the relevant regulatory authorities.
Article 26 The Company must prepare a balance sheet and an inventory of assets when it reduces its registered capital. The Company shall notify its creditors within 10 days and shall publish an announcement in a newspaper within 30 days from the date of the Company's resolution to reduce registered capital. A creditor has the right to require the Company to repay its debts or to provide a corresponding guarantee for such debts within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received.	**Article 26** The Company must prepare a balance sheet and an inventory of assets when it reduces its registered capital. The Company shall notify its creditors within 10 days and shall publish an announcement in a newspaper or **on the National Enterprise Credit Publication System** within 30 days from the date of the Company's resolution to reduce registered capital. A creditor has the right to require the Company to repay its debts or to provide a corresponding guarantee for such debts within 30 days after receiving the notice, or within 45 days of the public announcement if no notice has been received. **If the Company reduces its registered capital, it shall reduce the capital contribution**

Before Amendment	After Amendment
The registered capital of the Company after the capital reduction shall not be less than the statutory minimum.	**or shares proportionally to the shares held by the shareholders, unless otherwise provided by laws or the Articles of Association.**
Article 27 The Company may, in accordance with the provisions set out in the laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the share of the Company is listed and the Articles of Association, repurchase its shares under the following circumstances: (I) reduction of its registered capital; (II) merging with other companies that holds shares of the Company; (III) using shares for employee shareholding plans or for share incentives; (IV) repurchasing the shares held by shareholders who vote against any resolutions proposed in any general meeting on the merger and division of the Company upon their request; (V) using the shares for converting the convertible bonds issued by the Company to shares; (VI) necessary acts by the Company for safeguarding the corporate value and interest of shareholders; (VII) other circumstances as permitted by laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the share of the Company is listed. Except for the above circumstances, the Company may not purchase its shares.	**Article 27** The Company may, in accordance with the provisions set out in the laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the share of the Company is listed and the Articles of Association, repurchase its shares under the following circumstances: (I) reduction of its registered capital; (II) merging with other companies that holds shares of the Company; (III) using shares for employee shareholding plans or for share incentives; (IV) repurchasing the shares held by shareholders who vote against any resolutions proposed in any general meeting on the merger and division of the Company upon their request; (V) using the shares for converting the convertible bonds issued by the Company to shares; (VI) necessary acts by the Company for safeguarding the corporate value and interest of shareholders; (VII) ther circumstances as permitted by laws, administrative regulations, departmental rules, and securities regulatory rules of the place where the share of the Company is listed. Except for the above circumstances, the Company may not purchase its shares.
Article 28 The Company may repurchase its shares through public and centralized trading or other methods recognized by laws, regulations, and the CSRC. Where the repurchase of shares by the Company falls under the circumstances stipulated in (III), (V) and (VI) of the first paragraph of Article 27, the share	**Article 28 Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed,** the Company may repurchase its shares, through public and centralized trading or other methods recognized by laws, regulations, and the CSRC. Where the repurchase of shares by the Company

Before Amendment	After Amendment
repurchase shall be conducted in an open and centralized manner. If the Company repurchase its shares, it shall fulfill its information disclosure obligations in accordance with the Securities Law, the Hong Kong Listing Rules, and other relevant regulations.	falls under the circumstances stipulated in (III), (V) and (VI) of the first paragraph of Article 27, the share repurchase shall be conducted in an open and centralized manner. If the Company repurchase its shares, it shall fulfill its information disclosure obligations in accordance with the Securities Law, the Hong Kong Listing Rules, and other relevant regulations.
Article 36 Shares of the Company held by the promoters shall not be transferred within one year from the date of incorporation of the Company. Shares issued by the Company prior to its public offering of A shares shall not be transferred within one year from the date on which A shares of the Company are listed and traded in a stock exchange. The directors, **supervisors,** senior management officers of the Company shall report their shareholdings in the Company and the respective changes. The number of shares transferred each year during their term of office shall not exceed 25% of the total number of shares of the Company held by them. The shares of the Company held by them shall not be transferred within one year as of the listing date of the shares of the Company. The aforesaid personnel shall not transfer the Company's shares held within half a year after they have terminated their employment with the Company.	**Article 36** Shares issued by the Company prior to its public offering of A shares shall not be transferred within one year from the date on which A shares of the Company are listed and traded in a stock exchange. The directors, **and** senior management officers of the Company shall report their shareholdings in the Company and the respective changes. The number of shares transferred each year during their term of office **as determined at the time of their appointment** shall not exceed 25% of the total number of shares **of the same class** of the Company held by them. The shares of the Company held by them shall not be transferred within one year as of the listing date of the shares of the Company. The aforesaid personnel shall not transfer the Company's shares held within half a year after they have terminated their employment with the Company. **Where the controlling shareholder or the de facto controller transfers the shares it holds in the Company, such transfer shall be conducted in accordance with the restrictive provisions on share transfer under the laws, administrative regulations, the rules of the CSRC and the securities regulatory authorities of the place where the Company's shares are listed, as well as any undertaking made in respect of restrictions on share transfer.**
Article 37 For directors, **supervisors,** senior management officers and shareholders holding more than 5% of the Company's shares, if they have sold the shares of the Company held by them within six months after purchasing such shares, or they have purchased the shares within six months after selling their shares, the gains obtained therefrom shall be attributed to the Company and be forfeited by the Board of Directors. However, if a securities company	**Article 37** For directors, senior management officers and shareholders holding more than 5% of the Company's shares, if they have sold the shares of the Company held by them within six months after purchasing such shares, or they have purchased the shares within six months after selling their shares, the gains obtained therefrom shall be attributed to the Company and be forfeited by the Board of Directors. However, if a securities company

Before Amendment	After Amendment
holds more than 5% of the shares as a result of its underwriting of the untaken shares in an offer, and other circumstances stipulated by the CSRC shall not apply. For aforesaid directors, **supervisors,** senior management officers and natural person shareholders, the shares or other securities with an equity nature held by them include those held by their spouse, parents and children and held in accounts of others. If the Board of Directors of the Company fails to comply with the provisions of the preceding paragraph, the shareholders shall have the rights to request the Board of Directors to implement the related provisions within 30 days. If the Board of Directors of the Company fails to implement the requirements within the specified time, the shareholders may directly institute a lawsuit in the People's Court in their own name for the benefit of the Company. If the Board of Directors of the Company fails to comply with the provisions of the first paragraph, the responsible directors shall assume joint and several liabilities in accordance with the law	holds more than 5% of the shares as a result of its underwriting of the untaken shares in an offer, and other circumstances stipulated by the CSRC shall not apply. For aforesaid directors, senior management officers and natural person shareholders, the shares or other securities with an equity nature held by them include those held by their spouse, parents and children and held in accounts of others. If the Board of Directors of the Company fails to comply with the provisions of the preceding paragraph, the shareholders shall have the rights to request the Board of Directors to implement the related provisions within 30 days. If the Board of Directors of the Company fails to implement the requirements within the specified time, the shareholders may directly institute a lawsuit in the People's Court in their own name for the benefit of the Company. If the Board of Directors of the Company fails to comply with the provisions of the first paragraph, the responsible directors shall assume joint and several liabilities in accordance with the law
Article 38 The Company or its subsidiaries (including affiliates of the Company) **shall not at any time provide any financial assistance to purchasers or potential purchasers of the shares of the Company**. The aforesaid acquirer of shares of the Company shall include any person who has directly or indirectly incurred any obligations as a result of the purchase of the shares of the Company. Neither the Company nor any of its subsidiaries shall at any time and in any manner provide financial assistance to reduce and discharge the obligations assumed by aforesaid obligor. This Article shall not be applicable to such circumstances as stated in Article 40 hereof.	**Article 38** The Company or its subsidiaries (including affiliates of the Company) **shall not give any financial assistance, in the form of grant, advance, guarantee or loans, for other persons to obtain the shares of the Company or its parent company, except for the implementation of the employee stock ownership plan of the Company**. The aforesaid acquirer of shares of the Company shall include any person who has directly or indirectly incurred any obligations as a result of the purchase of the shares of the Company. **For the benefit of the Company, and subject to a resolution of the shareholders' general meeting or a resolution of the Board made pursuant to the Articles of Association or as authorized by the shareholders' general meeting, the Company may provide financial assistance for other persons to obtain the shares of the Company or its parent company, provided that the total accumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. A resolution made by the Board shall be**

Before Amendment	After Amendment
	approved by more than two-thirds of all Directors. Neither the Company nor any of its subsidiaries shall at any time and in any manner provide financial assistance to reduce and discharge the obligations assumed by aforesaid obligor. This Article shall not be applicable to such circumstances as stated in Article 40 hereof.
Article 42 During the period of listing of the Company's H shares on the Hong Kong Stock Exchange, the Company shall ensure that all listing documents for all securities listed on the Hong Kong Stock Exchange contain the following statements, and shall instruct and cause its share registrar to refuse to register the subscription, purchase or transfer of its shares in the name of any particular holder unless and until such holder has submitted to the share registrar a duly signed form relating to the shares containing the following statements: (I) the share purchasers and the Company and each shareholder, as well as the Company and each shareholder, agree to abide by and comply with laws and regulations such as the Company Law and the Special Regulations and the Articles of Association; (II) the share purchasers agree with the Company, and each of the Company's shareholders, directors, **supervisor,** Chief Executive Officer ("CEO") and other senior management officers, and the Company (for itself and on behalf of each of its directors, **supervisor,** CEO and other senior management officers) agrees with each of the shareholders that, disputes or claims in connection with the affairs of the Company arising out of the Articles of Association or rights or obligations under the Company Law or other relevant laws, administrative regulations and departmental rules shall be submitted for arbitration in	**Article 42** During the period of listing of the Company's H shares on the Hong Kong Stock Exchange, the Company shall ensure that all listing documents for all securities listed on the Hong Kong Stock Exchange contain the following statements, and shall instruct and cause its share registrar to refuse to register the subscription, purchase or transfer of its shares in the name of any particular holder unless and until such holder has submitted to the share registrar a duly signed form relating to the shares containing the following statements: (I) the share purchasers and the Company and each shareholder, as well as the Company and each shareholder, agree to abide by and comply with laws and regulations such as the Company Law and the Special Regulations and the Articles of Association; (II) the share purchasers agree with the Company, and each of the Company's shareholders, directors, Chief Executive Officer ("CEO") and other senior management officers, and the Company (for itself and on behalf of each of its directors, CEO and other senior management officers) agrees with each of the shareholders that, disputes or claims in connection with the affairs of the Company arising out of the Articles of Association or rights or obligations under the Company Law or other relevant laws, administrative regulations and departmental rules shall be submitted for arbitration in accordance with the Articles of

Before Amendment	After Amendment
accordance with the Articles of Association, that any reference to arbitration shall be deemed to have authorized the tribunal to hear in public and publish its award, and such arbitration shall be final and conclusive; (III) the share purchasers agree with the Company and each of its shareholders that the shares of the Company are freely transferable by its holders; (IV) the share purchasers authorize the Company to enter into, on its behalf, a contract with each of its directors and senior management officers whereby such directors and senior management officers undertake to abide by and perform their obligations to the shareholders as prescribed in the Articles of Association.	Association, that any reference to arbitration shall be deemed to have authorized the tribunal to hear in public and publish its award, and such arbitration shall be final and conclusive; (III) the share purchasers agree with the Company and each of its shareholders that the shares of the Company are freely transferable by its holders; (IV) the share purchasers authorize the Company to enter into, on its behalf, a contract with each of its directors and senior management officers whereby such directors and senior management officers undertake to abide by and perform their obligations to the shareholders as prescribed in the Articles of Association.
Article 55 The ordinary shareholders of the Company shall enjoy the following rights: (I) the right to receive distribution by way of dividends and otherwise in proportion to the number of shares held; (II) the right to request, convene, chair, attend or appoint a proxy to attend the shareholders' general meetings and exercise the corresponding voting right at the meetings in accordance with the laws; (III) the right to supervise and manage the operations of the Company and to raise proposals and queries; (IV) the right to additional purchase, receive shares or transfer, give or pledge the shares of the Company held by them in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed, provisions herein;	**Article 55** The ordinary shareholders of the Company shall enjoy the following rights: (I) the right to receive distribution by way of dividends and otherwise in proportion to the number of shares held; (II) the right to request **to hold**, convene, chair, attend or appoint a proxy to attend the shareholders' general meetings and exercise the corresponding voting right at the meetings in accordance with the laws; (III) the right to supervise and manage the operations of the Company and to raise proposals and queries; (IV) the right to additional purchase, receive shares or transfer, give or pledge the shares of the Company held by them in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the places where

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(V) the right to obtain relevant information in accordance with the Articles of Association, including: 1. the right to obtain a copy of the Articles of Association, subject to payment of costs; 2. the right to freely inspect and copy, subject to payment of reasonable fee: (1) all parts of the register of shareholders; (2) personal particulars of the directors, **supervisors**, Chief Executive Officer (CEO) and other senior management officers of the Company, including: (a) present and former name and alias; (b) principal address; (c) nationality; (d) full time and all other part-time occupations and duties; (e) identification documents and the numbers thereof. (3) reports of status of share capital issued by the Company; (4) reports showing the aggregate par value, share number and the highest and lowest prices paid in respect of each class of shares repurchased by the Company since the end of the last financial year	the Company's shares are listed, provisions herein; (V) the right to obtain relevant information in accordance with the Articles of Association, including: 1. the right to obtain a copy of the Articles of Association, subject to payment of costs; 2. the right to freely inspect and copy, subject to payment of reasonable fee: (1) all parts of the register of shareholders; (2) personal particulars of the directors, Chief Executive Officer (CEO) and other senior management officers of the Company, including: (a) present and former name and alias; (b) principal address; (c) nationality; (d) full time and all other part-time occupations and duties; (e) identification documents and the numbers thereof. (3) reports of status of share capital issued by the Company; (4) reports showing the aggregate par value, share number and the highest and lowest prices paid in respect of each class of shares repurchased by the

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and the aggregate amount paid by the Company for this purpose (with a breakdown between domestic shares and foreign shares, if applicable, and H shares);	Company since the end of the last financial year and the aggregate amount paid by the Company for this purpose (with a breakdown between domestic shares and foreign shares, if applicable, and H shares);
(5) stubs of company bond;	
(6) meeting minutes of shareholders' general meetings **(available only for shareholders)**, special resolutions, resolutions of the Board meeting **and resolutions of meetings of the Board of Supervisors of the Company;**	(5) meeting minutes of shareholders' general meetings, special resolutions, resolutions of the Board meeting of the Company;
(7) the latest audited financial statements of the Company, reports of the Board of Directors, auditor and the Board of Supervisors;	(6) the latest audited financial statements of the Company, reports of the Board of Directors **and** auditor;
(8) financial reports;	(7) financial reports;
(9) copies of the annual report for the latest period that has been filed with State Administration for Industry and Commerce and other authorities.	(8) copies of the annual report for the latest period that has been filed with State Administration for Industry and Commerce and other authorities.
The Company shall make the documents and any other applicable documents in items (1), (3), (4), **(6), (7) and (9)** above available for inspection by the public and shareholders free of charge at the Company's address in Hong Kong as required by the Hong Kong Listing Rules (**except for the meeting minutes of general meetings which are only available for inspection by shareholders**), and for reproduction	The Company shall make the documents and any other applicable documents in items (1), (3), (4), **(5), (6) and (8)** above available for inspection by the public and shareholders free of charge at the Company's address in Hong Kong as required by the Hong Kong Listing Rules, and for reproduction by shareholders at reasonable charges. If the content to be inspected and copied involves the Company's trade secrets and inside information as well as the personal privacy of relevant personnel, the Company may refuse to provide the relevant information;
	(VI) the right to participate in the distribution of the Company's

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by shareholders at reasonable charges. If the content to be inspected and copied involves the Company's trade secrets and inside information as well as the personal privacy of relevant personnel, the Company may refuse to provide the relevant information; (VI) the right to participate in the distribution of the Company's remaining assets corresponding to the number of shares held in the event of the termination or liquidation of the Company; (VII) request from shareholders who object to a resolution of a general meeting on merger or division of the Company for the Company to acquire their shares; (VIII) other rights conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.	remaining assets corresponding to the number of shares held in the event of the termination or liquidation of the Company; (VII) request from shareholders who object to a resolution of a general meeting on merger or division of the Company for the Company to acquire their shares; (VIII) other rights conferred by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.
Article 56 Any shareholder requesting for inspection of the relevant information as set forth in the preceding Article or for obtaining information shall furnish with the Company written document evidencing the class and number of shares of the Company he/she holds and the Company shall comply with such shareholder's request upon verification of the shareholder's identity.	**Article 56 Any shareholder seeking to inspect or obtain copies of the relevant documents referred to in the preceding Article shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations.**
Article 57 If a resolution passed at the shareholders' general meeting or meeting of the Board of Directors of the Company violates the laws or administrative regulations, the shareholders shall have the rights to submit a petition to the people's court to render the same invalid. If the procedures for convening, or the method of voting at, a shareholders' general meeting or meeting of the Board of Directors violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall have the rights to submit a	**Article 57** If a resolution passed at the shareholders' general meeting or meeting of the Board of Directors of the Company violates the laws or administrative regulations, the shareholders shall have the rights to submit a petition to the people's court to render the same invalid. If the procedures for convening, or the method of voting at, a shareholders' general meeting or meeting of the Board of Directors violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall have the rights to submit a

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petition to the people's court to revoke such resolution within 60 days from the date on which such resolution is adopted.	petition to the people's court to revoke such resolution within 60 days from the date on which such resolution is adopted, **unless there is only a slight defect in the procedure of convening or the method of voting at the shareholders' general meetings or Board meetings, which has no substantive impact on the resolution.** **Any shareholder who has not been notified to attend the shareholders' general meeting may petition the people's court to revoke the relevant resolution within sixty days from the date the shareholder becomes aware or should have become aware of the adoption of the resolution; if the shareholder does not exercise the right to revocation within one year from the date of the adoption of the resolution, the right to revocation shall be extinguished.** **In the event of a dispute over the validity of a general meeting resolution between the Board, shareholders, or other relevant parties, they shall promptly file a lawsuit with the People's Court. Before the People's Court issues a judgment or ruling to annul the resolution, the relevant parties shall implement the general meeting resolution. The Company, directors, and senior management shall diligently fulfill their duties to ensure the normal operation of the Company.** **When the People's Court issues a judgment or ruling on the relevant matters, the Company shall, in accordance with the laws, administrative regulations, the rules of the CSRC and the securities regulatory authorities of the place(s) where the Company's Shares are listed, fulfill its information disclosure obligations, fully explain the impact, and actively cooperate with the execution after the judgment or ruling becomes effective. Where corrections to prior matters are required, the Company shall promptly address the same and fulfill the corresponding information disclosure obligations.**
Article 58 If a director and senior management officer causes losses to the Company for violation of the laws, administrative regulations or the Articles of Association during the performance of his/her	**Article 58** If a director **other than a member of the audit committee** and senior management officer causes losses to the Company for violation of the laws, administrative regulations or the Articles of

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duties, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 days continuously, have the right to request the **Board of Supervisors** to initiate legal proceedings in the people's court; if the **Board of Supervisors** causes losses to the Company for violation of the laws, administrative regulations or the Articles of Association during the performance of its duties, the aforesaid shareholders can request the Board of Directors in written form to initiate legal proceedings in the people's court. Upon receipt of the written request by the shareholders as stipulated in the preceding paragraph, in case the Board of Directors **and/or the Board of Supervisors** refuses to initiate legal proceedings or fails to initiate legal proceedings within 30 days from receipt of such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, the aforesaid shareholders shall have the right to initiate legal proceedings in the people's court directly in their own name for protection of the Company's interests. In the event that any person infringes the legal interests of the Company, thus causing losses to the Company, the shareholders specified in the first paragraph may initiate legal proceedings in the people's court in accordance with the provisions of the preceding two paragraphs.	Association during the performance of his/her duties, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 days continuously, have the right to request the **member of the audit committee** to initiate legal proceedings in the people's court; if the **member of the audit committee** causes losses to the Company for violation of the laws, administrative regulations or the Articles of Association during the performance of its duties, the aforesaid shareholders can request the Board of Directors in written form to initiate legal proceedings in the people's court. Upon receipt of the written request by the shareholders as stipulated in the preceding paragraph, in case the **audit committee and** Board of Directors refuse to initiate legal proceedings or fail to initiate legal proceedings within 30 days from receipt of such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, the aforesaid shareholders shall have the right to initiate legal proceedings in the people's court directly in their own name for protection of the Company's interests. In the event that any person infringes the legal interests of the Company, thus causing losses to the Company, the shareholders specified in the first paragraph may initiate legal proceedings in the people's court in accordance with the provisions of the preceding two paragraphs.
Article 61 A shareholder holding more than 5% of the Company's shares with voting rights pledges any shares in his/her possession shall submit a written report to the Company from the date when he/she pledges his/her shares.	**Article 61** A shareholder holding more than 5% of the Company's shares with voting rights pledges any shares in his/her possession shall submit a written report to the Company from the date when he/she pledges his/her shares. **A controlling shareholder or a de facto controller who pledges the Company's shares held by him/her or at his/her actual disposal shall maintain the stability of the control of the Company and its production and operation.**
Article 63 The controlling shareholders and actual controllers of the Company shall not damage the interests of the Company by taking advantage of their affiliation. They shall be liable for	**Article 62 The controlling shareholders and the de facto controllers of the Company shall exercise their rights and perform their obligations in accordance with the laws, administrative regulations, the rules**

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compensation by violation of the rules for the loss suffered by the Company. **The controlling shareholders and actual controllers of the Company shall bear the fiduciary duties to the Company and other shareholders. The controlling shareholder shall strictly exercise the rights of the investor accordance with law. The controlling shareholder shall not damage the legitimate rights and interests of the Company and other shareholders by means of profit distribution, asset restructuring, outbound investment, appropriation of capital, offering security for loans, etc., and shall not damage the interests of the Company and other shareholders by means of its controlling position.**	**of the CSRC and the securities regulatory authorities of the place(s) where the Company's shares are listed, and shall safeguard the interests of the listed company. The controlling shareholders and the de facto controllers of the Company shall comply with the following provisions:** **(i) To exercise their shareholder rights in accordance with the laws, and not to abuse their control or use their relationships to harm the legitimate interests of the Company or other shareholders;** **(ii) to strictly fulfill the public statements and various commitments they have made, and not to unilaterally change or waive the same;** **(iii) to strictly perform information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company to ensure proper information disclosure, and promptly inform the Company of any significant events that have occurred or are about to occur;** **(iv) not to occupy the Company's funds in any way;** **(v) not to force, instruct, or request the Company or related personnel to unlawfully provide guarantees;** **(vi) not to use the Company's undisclosed material information for personal gain, nor to disclose any undisclosed material information related to the Company in any way, and not to engage in illegal or non-compliant activities such as insider trading, short-swing trading, or market manipulation;**

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	(vii) not to harm the legitimate interests of the Company and other shareholders through unfair related/connected transactions, profit distribution, asset restructuring, external investments, or any other means; **(viii) to ensure the integrity of the Company's assets, independence of personnel, financial independence, organizational independence, and business independence, and not to interfere with the independence of the Company in any way;** **(ix) to comply with laws, administrative regulations, the provisions of the CSRC, the rules of the securities regulatory authorities of the place(s) where the Company's shares are listed, and other provisions of the Articles of Association.** **If the controlling shareholders and the de facto controllers of the Company do not serve as directors but effectively execute the Company's affairs, the provisions of the Articles of Association regarding the fiduciary duties and diligence obligations of directors shall apply. The Company shall comply with the provisions of the Hong Kong Listing Rules and other applicable laws and regulations regarding the protection of minority investors.** **The controlling shareholders and the de facto controllers of the Company shall bear joint liability with the directors and senior management who are instructed to engage activities that harm the interests of the Company or its shareholders.**
Article 64 The general meeting of shareholders is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:	**Article 64** The general meeting of shareholders is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:

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(I) to decide on the business guideline and investment plan of the Company;	(I) to decide on the business guideline and investment plan of the Company;
(II) to elect and replace directors **and supervisors** who are not staff representatives, and to decide on matters relating to the remuneration of the relevant directors and supervisors;	(II) to elect and replace directors who are not staff representatives, and to decide on matters relating to the remuneration of the relevant directors;
(III) to review and approve the reports of the Board of Directors;	(III) to review and approve the reports of the Board of Directors;
(IV) to review and approve the reports of the Board of Supervisors;	(IV) to review and approve the annual preliminary financial budget plans and final account proposals of the Company;
(V) to review and approve the annual preliminary financial budget plans and final account proposals of the Company;	(V) to review and approve the profit distribution plan and loss recovery plan of the Company;
(VI) to review and approve the profit distribution plan and loss recovery plan of the Company;	(VI) to make resolutions on the increase or reduction of the Company's registered capital;
(VII) to make resolutions on the increase or reduction of the Company's registered capital;	(VII) to make resolutions on the issuance of corporate bonds or other securities and public listing plans;
(VIII) to make resolutions on the issuance of corporate bonds or other securities and public listing plans;	(VIII) to pass resolutions relating to matters such as the merger, division, dissolution or liquidation, or alternation of company form of the Company;
(IX) to pass resolutions relating to matters such as the merger, division, dissolution or liquidation, or alternation of company form of the Company;	(IX) **(IX)** to amend the Articles of Association;
(X) to amend the Articles of Association;	(X) to make resolutions on the appointment or dismissal or non-renewal of engagement of accounting firms by the Company;
(XI) to make resolutions on the appointment or dismissal or non-renewal of engagement of accounting firms by the Company;	(XI) to review proposals raised by shareholder(s), individually or collectively, representing over **1%** of the Company's voting shares;
(XII) to review proposals raised by shareholder(s), individually or collectively, representing over	

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3% of the Company's voting shares;	(XII) to review and approve the major transactions stipulated by Article 65 in the Articles of Association;
(XIII) to review and approve the major transactions stipulated by Article 65 in the Articles of Association;	(XIII) to review and approve of the guarantees stipulated by Article 66 in the Articles of Association;
(XIV) to review and approve of the guarantees stipulated by Article 66 in the Articles of Association;	(XIV) to review and approve of the financial assistance stipulated by Article 67 in the Articles of Association;
(XV) to review and approve of the financial assistance stipulated by Article 67 in the Articles of Association;	(XV) related party transactions (other than the provision of guarantees and financial assistance by the Company) proposed to be conducted between the Company and related legal persons with transaction amount of more than RMB30.00 million and accounting for more than 5% of the absolute value of the latest audited net assets of the Company;
(XVI) related party transactions (other than the provision of guarantees and financial assistance by the Company) proposed to be conducted between the Company and related legal persons with transaction amount of more than RMB30.00 million and accounting for more than 5% of the absolute value of the latest audited net assets of the Company;	(XVI) to review and approve the matters relating to the change of use of proceeds;
(XVII) to review and approve the matters relating to the change of use of proceeds;	(XVII) to review stock incentive plan;
(XVIII) to review stock incentive plan;	(XVIII) to review matters relating to the Company's purchase and sale within one year of material assets that are more than 30% of the latest audited total assets of the Company;
(XIX) to review matters relating to the Company's purchase and sale within one year of material assets that are more than 30% of the latest audited total assets of the Company;	(XIX) to review all transactions where the Company's percentage ratios calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules relating to percentage ratios are not less than 25% (including one-off transaction and a series of transactions which require combined percentage ratio calculation) and connected transactions where the percentage ratios are not less than 5% (including one-off transaction and a series of transactions which
(XX) to review all transactions where the Company's percentage ratios calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules relating to percentage ratios are not less than 25% (including one-off transaction and a series of transactions which require combined percentage ratio calculation) and connected transactions where the percentage	

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ratios are not less than 5% (including one-off transaction and a series of transactions which require combined percentage ratio calculation); (XXI) to review other matters that shall be decided by the general meetings according to the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. The aforesaid functions and powers of general meetings shall not be exercised by the Board of Directors or by other organizations and individuals on behalf of shareholders through authorization.	require combined percentage ratio calculation); (XX) to review other matters that shall be decided by the general meetings according to the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. The aforesaid functions and powers of general meetings shall not be exercised by the Board of Directors or by other organizations and individuals on behalf of shareholders through authorization.
Article 65 In addition to timely disclosure and approval by the Board of Directors in accordance with relevant laws and securities regulatory rules of the place where the Company's shares are listed, the Company's transaction (other than the provision of guarantees and financial assistance by the Company) that meets one of the following standards shall also be submitted to the general meeting for consideration: (I) the total assets involved in the transaction account for more than 50% of the latest audited total assets of the Company, and if the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation; (II) the net assets involved in the transaction subject (such as equity) account for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million; if the net assets involved in the transaction have both book value and appraised value, the higher of which shall prevail; (III) the related operating income of the transaction subject (such as equity) in the most recent fiscal year accounts for	**Article 65** In addition to timely disclosure and approval by the Board of Directors in accordance with relevant laws and securities regulatory rules of the place where the Company's shares are listed, the Company's transaction (other than the provision of guarantees and financial assistance by the Company) that meets one of the following standards shall also be submitted to the general meeting for consideration: (I) the total assets involved in the transaction account for more than 50% of the latest audited total assets of the Company, and if the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation; (II) the net assets involved in the transaction subject (such as equity) account for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million; if the net assets involved in the transaction have both book value and appraised value, the higher of which shall prevail; (III) the related operating income of the transaction subject (such as equity) in the most recent fiscal year accounts for

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more than 50% of the audited operating income of the Company in such fiscal year, with absolute amount exceeding RMB50.00 million;	more than 50% of the audited operating income of the Company in such fiscal year, with absolute amount exceeding RMB50.00 million;
(IV) the related net profit of the transaction subject (such as equity) in the most recent fiscal year accounts for more than 50% of the audited net profit of the Company in such fiscal year, with absolute amount exceeding RMB5.00 million;	(IV) the related net profit of the transaction subject (such as equity) in the most recent fiscal year accounts for more than 50% of the audited net profit of the Company in such fiscal year, with absolute amount exceeding RMB5.00 million;
(V) the concluded transaction amount (including liabilities and expenses incurred) accounts for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million;	(V) the concluded transaction amount (including liabilities and expenses incurred) accounts for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million;
(VI) the profits from the transaction account for more than 50% of the audited net profit of the Company in the most recent fiscal year, and the absolute amount exceeds RMB5.00 million;	(VI) the profits from the transaction account for more than 50% of the audited net profit of the Company in the most recent fiscal year, and the absolute amount exceeds RMB5.00 million;
(VII) other transactions that shall be submitted to the general meeting for consideration in accordance with relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed.	(VII) other transactions that shall be submitted to the general meeting for consideration in accordance with relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed.
If the data involved in the calculation of the above indicators is negative, the absolute value of the data shall be used.	If the data involved in the calculation of the above indicators is negative, the absolute value of the data shall be used.
The "transactions" set forth in this Article shall be same meaning as that of Article **156** of the Articles of Association.	The "transactions" set forth in this Article shall be same meaning as that of Article **157** of the Articles of Association.
Article 69 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the following circumstances:	**Article 69** The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of the following circumstances:
(I) when the number of directors is less than the statutory minimum quorum of **five** provided for in the Company Law or two-thirds of	(I) when the number of directors is less than the statutory minimum quorum of **three** provided for in the Company Law or two-thirds

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the number required by the Articles of Association; (II) when the uncovered loss of the Company reaches one-third of the total paid-up share capital of the Company; (III) upon written request(s) by shareholder(s) individually or collectively holding 10% or above of the Company's shares; (IV) when the Board of Directors deems it necessary; (V) when the **Board of Supervisors** proposes such a meeting be held; (VI) any other circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. The shareholdings as described in item (III) above shall be calculated as per the shares of the Company held by the shareholder on the date when such written request is made by such shareholder.	of the number required by the Articles of Association; (II) when the uncovered loss of the Company reaches one-third of the total paid-up share capital of the Company; (III) upon written request(s) by shareholder(s) individually or collectively holding 10% or above of the Company's shares **(including preference shares with voting rights restored)**; (IV) when the Board of Directors deems it necessary; (V) when the **audit committee** proposes such a meeting be held; (VI) any other circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.
Article 71 The Company shall engage lawyers to issue legal opinions in respect of the following matters relating to the holding of general meetings and make relevant announcements according to securities regulatory rules of the place where the Company's shares are listed: (I) Whether the convening and holding procedures of the meeting comply with the **relevant** laws, administrative regulations, departmental rules and the Articles of Association; (II) whether the qualifications of the attendees and the convener of the meeting are lawful and valid; (III) whether the procedures of voting at the general meeting and the	**Article 71** The Company shall engage lawyers to issue legal opinions in respect of the following matters relating to the holding of general meetings and make relevant announcements according to securities regulatory rules of the place where the Company's shares are listed: (I) Whether the convening and holding procedures of the meeting comply with the **provisions of** laws, administrative regulations, departmental rules and the Articles of Association; (II) whether the qualifications of the attendees and the convener of the meeting are lawful and valid; (III) whether the procedures of voting at the general meeting and the

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voting results are lawful and valid; (IV) provision of any advice on any other matters requested by the Company.	voting results are lawful and valid; (IV) provision of any advice on any other matters requested by the Company.
Article 72 The general meeting shall be convened by the Board of Directors in accordance with law. If the Board of Directors is unable to perform or does not perform the duty of convening a general meeting, the **Board of Supervisors** shall convene and preside over the meeting in time; if the **Board of Supervisors** does not convene and preside over the meeting, shareholders who individually or collectively hold more than 10 percent of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting themselves.	**Article 72** The general meeting shall be convened by the Board of Directors in accordance with law. If the Board of Directors is unable to perform or does not perform the duty of convening a general meeting, the **audit committee** shall convene and preside over the meeting in time; if the **audit committee** does not convene and preside over the meeting, shareholders who individually or collectively hold more than 10 percent of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting themselves.
Article 73 The independent non-executive directors have the right to propose to the Board to convene an extraordinary general meeting. For the proposal of independent non-executive directors of convening an extraordinary general meeting, the Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, give a written feedback on whether to agree or disagree with the meeting within ten days upon receipt of the proposal. When the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. If the Board does not agree to convene such meeting, the reasons shall be stated and announced.	**Article 73 Subject to approval of more than half of all independent non-executive directors, the** independent non-executive directors have the right to propose to the Board to convene an extraordinary general meeting. For the proposal of independent non-executive directors of convening an extraordinary general meeting, the Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, give a written feedback on whether to agree or disagree with the meeting within ten days upon receipt of the proposal. When the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. If the Board does not agree to convene such meeting, the reasons shall be stated and announced.
Article 74 Board of Supervisors has the right to propose to the Board to convene an extraordinary general meeting. For the proposal of **Board of Supervisors** of convening an extraordinary general meeting, the Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the	**Article 74 The audit committee** has the right to propose to the Board to convene an extraordinary general meeting. For the proposal of **the audit committee** of convening an extraordinary general meeting, the Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the

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Company's shares are listed and the Articles of Association, give a written feedback on whether to agree or disagree with the meeting within ten days upon receipt of the proposal. When the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of the **Board of Supervisors**. When the Board does not agree to convene an extraordinary general meeting or does not provide feedback within ten days upon receipt of the written proposal, the Board shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. The **Board of Supervisors** can convene and preside over the meeting on its own.	Company's shares are listed and the Articles of Association, give a written feedback on whether to agree or disagree with the meeting within ten days upon receipt of the proposal. When the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of **the audit committee**. When the Board does not agree to convene an extraordinary general meeting or does not provide feedback within ten days upon receipt of the written proposal, the Board shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. **The audit committee** can convene and preside over the meeting on its own.
Article 75 When a shareholder requests to convene an extraordinary general meeting or a class meeting, the following procedures shall be followed: (I) the Shareholders who individually or jointly hold more than 10% of the shares with voting rights of the Company shall have the right to propose to the Board to convene an extraordinary general meeting or a class meeting, and shall make such proposal to the Board in writing and illustrate the topic of the meeting. The Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed, and the Articles of Association, give a written feedback on approval or disapproval of the convening of an extraordinary general meeting or class meeting within 10 days after receiving the written request. (II) when the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the	**Article 75** When a shareholder requests to convene an extraordinary general meeting or a class meeting, the following procedures shall be followed: (I) the Shareholders who individually or jointly hold more than 10% of the shares **(including preference shares with voting rights restored)** with voting rights of the Company shall have the right to propose to the Board to convene an extraordinary general meeting or a class meeting, and shall make such proposal to the Board in writing and illustrate the topic of the meeting. The Board shall, in accordance with the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed, and the Articles of Association, give a written feedback on approval or disapproval of the convening of an extraordinary general meeting or class meeting within 10 days after receiving the written request. (II) when the Board agrees to convene an extraordinary general meeting,

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resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders. Where the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed have any other provisions, such provisions shall prevail.	it shall serve a notice of such meeting within five days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders. Where the laws, administrative regulations, departmental rules, securities regulatory rules of the places where the Company's shares are listed have any other provisions, such provisions shall prevail.
(III) if the Board does not agree to hold the extraordinary general meeting or a class meeting or fails to give a reply within 10 days after receipt of the request, shareholders severally or jointly holding more than 10% of the shares carrying the right to vote at the meeting sought to be held shall be entitled to propose and request in writing to the **Board of Supervisors** to convene an extraordinary general meeting or a class meeting.	(III) if the Board does not agree to hold the extraordinary general meeting or a class meeting or fails to give a reply within 10 days after receipt of the request, shareholders severally or jointly holding more than 10% of the shares **(including preference shares with voting rights restored)** carrying the right to vote at the meeting sought to be held shall be entitled to propose and request in writing to **the audit committee** to convene an extraordinary general meeting or a class meeting.
(IV) if the **Board of Supervisors** agrees to convene the extraordinary general meeting or a class meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.	(IV) if the **audit committee** agrees to convene the extraordinary general meeting or a class meeting, it shall serve a notice of such meeting within 5 days after receipt of the said request. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.
If the **Board of Supervisors** fails to give the notice of such a meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the meeting, in which case, shareholders who individually or collectively hold more than 10% of the shares carrying the right to vote at the meeting sought to be held for more than 90 consecutive days may convene and preside over the meeting themselves.	If the **audit committee** fails to give the notice of such a meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the meeting, in which case, shareholders who individually or collectively hold more than 10% of the shares **(including preference shares with voting rights restored)** carrying the right to vote at the meeting sought to be held for more than 90 consecutive days may convene and preside over the meeting themselves.

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Article 76 When the **Board of Supervisors** or the shareholders decide to convene a general meeting by themselves, they must notify the Board in writing and at the same time submit the relevant documentation to the Shenzhen Stock Exchange. Before an announcement on resolutions of the general meeting is made, the shareholding percentage of the convening shareholders shall not be less than ten percent. The **Board of Supervisors** or convening shareholders shall provide relevant evidence to the Shenzhen Stock Exchange according to relevant provisions at the time the notice of general meeting is issued and an announcement on resolutions of the general meeting is made.	**Article 76** When the **audit committee** or the shareholders decide to convene a general meeting by themselves, they must notify the Board in writing and at the same time submit the relevant documentation to the Shenzhen Stock Exchange. Before an announcement on resolutions of the general meeting is made, the shareholding percentage of the convening shareholders **(including preference shares with voting rights restored)** shall not be less than ten percent. The **audit committee** or convening shareholders shall provide relevant evidence to the Shenzhen Stock Exchange according to relevant provisions at the time the notice of general meeting is issued and an announcement on resolutions of the general meeting is made.
Article 77 The Board and the secretary to the board shall align with the general meeting convened by the Board of Supervisors or the shareholders on their own and fulfill their information disclosure obligation in a timely manner. The Board shall provide the register of shareholders as at the date of record. If the Board fails to provide the register of shareholders, the convener may request to access the register at securities registration and clearing institution by presenting the relevant announcement of the notice of general meeting. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of a general meeting of shareholders.	Article 77 The Board and the secretary to the board shall align with the general meeting convened by the audit committee or the shareholders on their own and fulfill their information disclosure obligation in a timely manner. The Board shall provide the register of shareholders as at the date of record. If the Board fails to provide the register of shareholders, the convener may request to access the register at securities registration and clearing institution by presenting the relevant announcement of the notice of general meeting. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of a general meeting of shareholders.
Article 78 If the **Board of Supervisors** or shareholders convene a general meeting or class meeting on their own, the Company shall bear the reasonable expenses incurred thereby and deduct the expenses from the amount owed by the Company to the defaulting directors.	**Article 78** If the **audit committee** or shareholders convene a general meeting or class meeting on their own, the Company shall bear the reasonable expenses incurred thereby and deduct the expenses from the amount owed by the Company to the defaulting directors.
Article 80 When the Company convenes the general meeting, the Board of directors, **Board of Supervisors** and shareholders holding more than **3%** of the shares of the Company separately or jointly are entitled to submit proposals to the Company. The shareholders individually or jointly holding more than 3% of the shares of the	**Article 80** When the Company convenes the general meeting, the Board of directors, the **audit committee** and shareholders holding more than **1%** of the shares **(including preference shares with voting right s restored)** of the Company separately or jointly are entitled to submit proposals to the Company.

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Company may raise provisional proposal and submit it to the convener in writing 10 days before the general meeting is held. Upon the satisfaction that the proposal complies with the provisions in Article 79 of the Articles of Association, the convener shall, within 2 days after the receipt of the proposal, issue a supplementary notice of general meeting and announce the contents of the provisional proposal. Save as specified in the preceding paragraph, the convener shall not change the proposal set out in the notice of general meeting or add any new proposals after the said notice is served. The general meeting shall not vote or pass resolutions on proposals not listed in the notice of the general meeting or proposals not in conformity with Article 79 of the Articles of Association.	The shareholders individually or jointly holding more than 1% of the shares **(including preference shares with voting right s restored)** of the Company may raise provisional proposal and submit it to the convener in writing 10 days before the general meeting is held. Upon the satisfaction that the proposal complies with the provisions in Article 79 of the Articles of Association, the convener shall, within 2 days after the receipt of the proposal, issue a supplementary notice of general meeting and announce the contents of the provisional proposal, **and submit the same to the shareholders' general meeting for consideration, unless the provisional proposals violate the laws, administrative regulations or provisions of the Articles of Association, or do not fall within the scope of the functions and powers of the shareholders' general meeting. For the publication of the supplemental notice of the shareholders' general meeting, if there are special provisions under the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail, provided that the Company Law, the Guidelines for the Articles of Association of Listed Companies or other applicable domestic laws and regulations are not violated. If the shareholders' general meeting shall be postponed due to the publication of a supplemental notice of the shareholders' general meeting in accordance with the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' general meeting shall be postponed pursuant to the provisions of the securities regulatory rules of the place where the Company's shares are listed.** Save as specified in the preceding paragraph, the convener shall not change the proposal set out in the notice of general meeting or add any new proposals after the said notice is served. The general meeting shall not vote or pass resolutions on proposals not listed in the notice of the general meeting or proposals not in conformity with Article 79 of the Articles of Association.

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Article 81 Where the Company convenes an annual general meeting, it shall inform each shareholder in writing of the date and place of the meeting and matters to be considered 21 days prior to the date of the meeting. In case of extraordinary general meeting, the shareholders shall be notified 15 days prior to the date of meeting in writing. **The "business days" mentioned in the Articles of Association shall be subject to the business day on which the Stock Exchange is open for the business of dealing in securities.** The date of the meeting shall not be included when calculating the starting time.	**Article 81** Where the Company convenes an annual general meeting, it shall inform each shareholder in writing of the date and place of the meeting and matters to be considered 21 days prior to the date of the meeting. In case of extraordinary general meeting, the shareholders shall be notified 15 days prior to the date of meeting in writing. The date of the meeting shall not be included when calculating the starting time.
Article 82 The notice of the general meeting shall meet the following requirements: (I) be in written form; (II) specify the date, place and duration of the meeting; (III) state the matters and proposals to be reviewed at the meeting; (IV) provide the shareholders with the information and explanations necessary for them to make informed decision on the matters to be discussed. This principle includes (but is not limited to) the requirement that when the Company intends to make merger, repurchase shares, make capital restructuring or other reform, it shall provide the specific conditions and contracts (if any) of the proposed transaction, and make detailed explanation on the causes and effects; (V) if any director, **supervisor,** chief executive officer (CEO) and other senior management officers has material interest in the matters to be discussed, the nature and extent of the interest shall be disclosed; if the influence of the matters to be discussed on the said director, **supervisor,** chief executive officer (CEO) or other senior management officers is	**Article 82** The notice of the general meeting shall meet the following requirements: (I) be in written form; (II) specify the date, place and duration of the meeting; (III) state the matters and proposals to be reviewed at the meeting; (IV) provide the shareholders with the information and explanations necessary for them to make informed decision on the matters to be discussed. This principle includes (but is not limited to) the requirement that when the Company intends to make merger, repurchase shares, make capital restructuring or other reform, it shall provide the specific conditions and contracts (if any) of the proposed transaction, and make detailed explanation on the causes and effects; (V) if any director, chief executive officer (CEO) and other senior management officers has material interest in the matters to be discussed, the nature and extent of the interest shall be disclosed; if the influence of the matters to be discussed on the said director, chief executive officer (CEO) or other senior management officers is different from the influence on

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different from the influence on other shareholders of the same class, the relevant difference shall be specified;	other shareholders of the same class, the relevant difference shall be specified;
(VI) contain the full text of any special resolution proposed to be passed at the meeting;	(VI) contain the full text of any special resolution proposed to be passed at the meeting;
(VII) contain an explicit statement that all shareholders are entitled to participate in the general meeting and they may appoint in writing one or more proxies to attend and vote at such meeting on their behalves and such proxy or proxies need not be shareholder(s) of the Company;	(VII) contain an explicit statement that all shareholders are entitled to participate in the general meeting and they may appoint in writing one or more proxies to attend and vote at such meeting on their behalves and such proxy or proxies need not be shareholder(s) of the Company;
(VIII) specify the delivery time and place of the power of attorney for voting;	(VIII) specify the delivery time and place of the power of attorney for voting;
(IX) contain the name and telephone number of the regular contact person for the meeting;	(IX) contain the name and telephone number of the regular contact person for the meeting;
(X) the date of record for the shareholders who are entitled to attend the general meeting.	(X) the date of record for the shareholders who are entitled to attend the general meeting.
	(XI) the time and procedure of voting online or by any other means.
The notice and the supplementary notice of the general meeting shall adequately and completely disclose the specific contents of all proposals, and all the materials or explanations necessary for the shareholders to make reasonable judgments on the matters to be discussed. If the matters to be discussed require opinions from independent non-executive directors, the opinions and reasons of independent non-executive directors will be disclosed at the time when the notice of the general meeting or the supplementary notice is issued.	The notice and the supplementary notice of the general meeting shall adequately and completely disclose the specific contents of all proposals, and all the materials or explanations necessary for the shareholders to make reasonable judgments on the matters to be discussed. If the matters to be discussed require opinions from independent non-executive directors, the opinions and reasons of independent non-executive directors will be disclosed at the time when the notice of the general meeting or the supplementary notice is issued.
If a general meeting of the Company is held online or otherwise, the designated time and procedure for voting online or through other means shall be expressly stated in the notice of such meeting. The time of online voting or voting through other means for the general meeting shall not be earlier than 3:00 p.m. on the day before the on-site general meeting and shall not be later than 9:30 a.m. on the day of the on-site general	If a general meeting of the Company is held online or otherwise, the designated time and procedure for voting online or through other means shall be expressly stated in the notice of such meeting. The time of online voting or voting through other means for the general meeting shall

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meeting, and shall not conclude earlier than 3:00 p.m. on the day of the on-site general meeting. The interval between the date of record and the date of the meeting shall be no more than 7 business days. Once the date of record is confirmed, it shall not be changed.	not be earlier than 3:00 p.m. on the day before the on-site general meeting and shall not be later than 9:30 a.m. on the day of the on-site general meeting, and shall not conclude earlier than 3:00 p.m. on the day of the on-site general meeting. The interval between the date of record and the date of the meeting shall be no more than 7 business days. Once the date of record is confirmed, it shall not be changed.
Article 83 When the general meeting intends to discuss the election of directors **and supervisors**, the notice of the meeting shall fully disclose the details of the candidates for directors **and supervisors**, including, as a minimum, the following contents: (I) personal particulars such as education background, working experience and any concurrent positions; (II) whether one is connected with the Company or controlling shareholders, substantial shareholders, actual controller, **other directors, supervisors and senior management officers** of the Company; (III) their shareholdings in the Company disclosed; (IV) any penalties imposed by CSRC and other relevant authorities and punishments imposed by the stock exchanges; (V) information required to be disclosed under the Hong Kong Listing Rules relating to the appointment, re-election or transfer of directors **or supervisors**. Unless a director **or supervisor** is elected via the cumulative voting system, each candidate for director **or supervisor** shall be proposed via a single proposal.	**Article 83** When the general meeting intends to discuss the election of directors, the notice of the meeting shall fully disclose the details of the candidates for directors, including, as a minimum, the following contents: **(I) if there are any circumstances in which the candidates are not allowed to be nominated as directors; whether they possess the qualifications required by the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association;** (II) personal particulars such as education background, working experience and any concurrent positions; (III) whether one is connected with the Company or controlling shareholders, substantial shareholders **and** actual controller of the Company; (IV) their shareholdings in the Company disclosed; (V) any penalties imposed by CSRC and other relevant authorities and punishments imposed by the stock exchanges; (VI) information required to be disclosed under the Hong Kong Listing Rules relating to the

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	appointment, re-election or transfer of directors. Unless a director is elected via the cumulative voting system, each candidate for director shall be proposed via a single proposal.
Article 84 Unless otherwise specified by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the shares of the Company are listed or the Articles of Association, the notice of general meeting shall be delivered to the shareholder (whether he/she has voting rights at the general meeting or not) by sending to the address of the shareholder listed in the register of shareholders via personal delivery or prepaid mail. For the holders of domestic-listed domestic shares, the notice of general meeting may also be given via public announcement. The aforesaid public announcement shall be published on one or several newspapers designated by the securities regulatory authorities under the State Council. Once public announcement is made, it is deemed that all the holders of domestic-listed domestic shares have received the notice of the relevant general meeting. For the shareholders of H shares, the Company may also give notice of the general meeting by posting on the Company's website and the website designated by Hong Kong Stock Exchange or by such other means as may be permitted under Hong Kong Listing Rules and these Articles of Association, instead of personal delivery or prepaid mail delivery to shareholders of H shares, subject to the compliance with the laws, regulations and the listing rules of the stock exchange where the Company's shares are listed and the performance of the relevant procedures. After the notice of the general meeting is issued, without proper reason, the general meeting shall not be postponed or canceled, and the proposals set out in the notice shall not be canceled. In the case of any postponement or cancellation of the meeting, **the convener shall notify the shareholders in writing at least 2 business days prior to the scheduled date of convening and give explanations**.	**Article 84** Unless otherwise specified by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the shares of the Company are listed or the Articles of Association, the notice of general meeting shall be delivered to the shareholder (whether he/she has voting rights at the general meeting or not) by sending to the address of the shareholder listed in the register of shareholders via personal delivery or prepaid mail. For the holders of domestic-listed domestic shares, the notice of general meeting may also be given via public announcement. The aforesaid public announcement shall be published on one or several newspapers designated by the securities regulatory authorities under the State Council. Once public announcement is made, it is deemed that all the holders of domestic-listed domestic shares have received the notice of the relevant general meeting. For the shareholders of H shares, the Company may also give notice of the general meeting by posting on the Company's website and the website designated by Hong Kong Stock Exchange or by such other means as may be permitted under Hong Kong Listing Rules and these Articles of Association, instead of personal delivery or prepaid mail delivery to shareholders of H shares, subject to the compliance with the laws, regulations and the listing rules of the stock exchange where the Company's shares are listed and the performance of the relevant procedures. After the notice of the general meeting is issued, without proper reason, the general meeting shall not be postponed or canceled, and the proposals set out in the notice shall not be canceled. In the case of any postponement or cancellation of the meeting, **the convener shall announce and explain the reasons in accordance with laws, regulations, and the securities regulatory rules of the place where the company's shares are listed. If the shareholders' general meeting is postponed,**

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	the convener shall announce the rescheduled date of the meeting in the notice. If there are special provisions under the securities regulatory rules of the place where the Company's shares are listed regarding the procedures for postponing or canceling general meetings, the provisions shall prevail provided that the domestic regulatory requirements are not violated.
Article 88 The shareholders shall appoint their proxies in writing, the power of attorney issued by a shareholder to appoint a proxy to attend the general meeting shall contain the following information: (I) the name of the proxy; **(II) whether or not the proxy has the voting right;** (III) **separate** instructions as to whether to cast affirmative, negative or abstention votes on each and every matter under consideration listed on the agenda of the general meeting; (IV) the date of issue and validity period of the power of attorney; (V) signature by the principal or the agent he/she entrusts in writing. If the principal is a legal person, the corporate seal shall be affixed or signed by its director or duly appointed agent. Any power of attorney issued by the Board of Directors to the shareholders to appoint a proxy shall be in such form that allows the shareholders to freely instruct the proxy to vote for or against or abstaining from voting any proposal, and to provide separate instructions on the matters to be voted at every topic of the meeting. The power of attorney shall specify that in the absence of specific instructions from the shareholder, the proxy may vote as he/she thinks fit.	**Article 88** The shareholders shall appoint their proxies in writing, the power of attorney issued by a shareholder to appoint a proxy to attend the general meeting shall contain the following information: **(I) the name of the appointing shareholder, the class and number of shares held by the appointing shareholder;** **(II)** the name of the proxy; (III) **specific instructions from the shareholder,** including instructions as to whether to cast affirmative, negative or abstention votes on each and every matter under consideration listed on the agenda **of the general meeting;** (IV) the date of issue and validity period of the power of attorney; (V) signature by the principal or the agent he/she entrusts in writing. If the principal is a legal person, the corporate seal shall be affixed or signed by its director or duly appointed agent. Any power of attorney issued by the Board of Directors to the shareholders to appoint a proxy shall be in such form that allows the shareholders to freely instruct the proxy to vote for or against or abstaining from voting any proposal, and to provide separate instructions on the matters to be voted at every topic of the meeting. The power of attorney shall specify that in the absence of specific instructions from the

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	shareholder, the proxy may vote as he/she thinks fit.
Article 89 If the power of attorney for proxy is signed by the authorized person of the principal, the letter of authority for signing or other authorization documents shall be notarized. Provided that the relevant laws, regulations and regulatory rules of the place where the Company's shares are listed are not violated, the notarized letter of authority or other authorization documents and the power of attorney for proxy voting shall be maintained at the domicile of the Company or other place specified in the notice of the meeting before the convening of the relevant meeting or within the time specified by the Company. **If the principal is a legal person, its legal representative or the person authorized by the Board of Directors or other decision-making authorities shall attend the general meeting of the Company on its behalf.**	**Article 89** If the power of attorney for proxy is signed by the authorized person of the principal, the letter of authority for signing or other authorization documents shall be notarized. Provided that the relevant laws, regulations and regulatory rules of the place where the Company's shares are listed are not violated, the notarized letter of authority or other authorization documents and the power of attorney for proxy voting shall be maintained at the domicile of the Company or other place specified in the notice of the meeting before the convening of the relevant meeting or within the time specified by the Company.
Article 93 When the general meeting is held, all the directors, supervisors and secretary to the Board of Directors of the Company shall attend the meeting, while the chief executive officer (CEO) and other senior management officers shall be present at the meeting.	**Article 93 If the general meeting requires directors and the senior management officers to be present at the meeting, the directors and the senior management officers shall be present and answer to the enquiries from shareholders.**
Article 94 The general meeting shall be presided over by the chairman of the Board of Directors. When the chairman of the Board of Directors is unable or fails to perform his/her duty, a director jointly elected by more than half of the directors shall preside over the meeting. At a general meeting convened by the **Board of Supervisors**, the **chairman** of **Board of Supervisors** shall preside over the meeting. When the **chairman of the Board of Supervisors** is unable or fails to perform his/her duty, **a supervisor jointly elected by more than half of the supervisors shall preside over the meeting**. If a general meeting is convened by shareholders, the convener shall elect a representative to preside over the meeting. If the convener fails to elect a representative to preside	**Article 94** The general meeting shall be presided over by the chairman of the Board of Directors. When the chairman of the Board of Directors is unable or fails to perform his/her duty, a director jointly elected by more than half of the directors shall preside over the meeting. At a general meeting convened by the **audit committee**, the **convener** of the **audit committee** shall preside over the meeting. When **the convener of the audit committee** is unable or fails to perform his/her duty, **a member of the audit committee jointly recommended by more than half of the audit committee members shall preside over the meeting**. If a general meeting is convened by shareholders, the convener **or a representative elected by the convener** shall elect a representative to preside over the meeting. If the

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over the meeting for any reason, the shareholder (including shareholder proxy) holding the most voting shares thereat shall preside over the meeting. When a general meeting is held, if the chairman of the meeting violates the rules of procedure, making continuance of the meeting impossible, with the consent of the shareholders holding more than half of the voting rights present at the meeting, the meeting may elect a person to serve as the chairman of the meeting and the meeting shall continue.	convener fails to elect a representative to preside over the meeting for any reason, the shareholder (including shareholder proxy) holding the most voting shares thereat shall preside over the meeting. When a general meeting is held, if the chairman of the meeting violates the rules of procedure, making continuance of the meeting impossible, with the consent of the shareholders holding more than half of the voting rights present at the meeting, the meeting may elect a person to serve as the chairman of the meeting and the meeting shall continue.
Article 96 At the annual general meeting, the Board of Directors **and the Board of Supervisors** shall make report on their works in the past year to the general meeting. Each independent non-executive director shall also report on their duty performance.	**Article 96** At the annual general meeting, the Board of Directors shall make report on their works in the past year to the general meeting. Each independent non-executive director shall also report on their duty performance.
Article 97 The directors, **supervisors** and senior management officers shall provide explanations and statements relating to the queries and suggestions put forward by the shareholders at the general meeting.	**Article 97** The directors and senior management officers shall provide explanations and statements relating to the queries and suggestions put forward by the shareholders at the general meeting.
Article 99 The general meeting shall have meeting minutes, and secretary to the Board of Directors shall be responsible for the meeting minutes. The meeting minutes shall contain the following contents: (I) the time, venue of, and the agenda for, the meeting, and the name or title of the convener; (II) names of the chairman of the meeting and the directors, **supervisors** and senior management officers **attending the meeting** or attending the meeting as non-voting attendee; (III) the number of shareholders and proxies present at the meeting, the total number of voting shares held and their respective proportions in the total number of shares of the Company;	**Article 99** The general meeting shall have meeting minutes, and secretary to the Board of Directors shall be responsible for the meeting minutes. The meeting minutes shall contain the following contents: (I) the time, venue of, and the agenda for, the meeting, and the name or title of the convener; (II) names of the chairman of the meeting and the directors and senior management officers attending the meeting as non-voting attendee; (III) the number of shareholders and proxies present at the meeting, the total number of voting shares held and their respective proportions in the total number of shares of the Company;

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(IV) the consideration process, summaries of speeches and voting result for each proposal; (V) the inquiries or suggestions of the shareholders and the corresponding answers or explanations; (VI) names of lawyer, counting officer and monitoring officer; (VII) other contents that should be included in the meeting minutes as required by the general meeting or according to the Articles of Association.	(IV) the consideration process, summaries of speeches and voting result for each proposal; (V) the inquiries or suggestions of the shareholders and the corresponding answers or explanations; (VI) names of lawyer, counting officer and monitoring officer; (VII) other contents that should be included in the meeting minutes as required by the general meeting or according to the Articles of Association.
Article 100 The convener shall guarantee the authenticity, accuracy and integrity of the contents of the meeting minutes. The directors, **supervisors,** secretary to the Board of Directors, convener or their representatives who attended the meeting, and the chairman of the meeting shall sign the meeting minutes. The meeting minutes shall be maintained together with the registration record of the shareholders present, the power of attorney for proxy attendance, and the valid documents relating to the voting over network and other forms of voting at the domicile of the Company for a period of 10 years.	**Article 100** The convener shall guarantee the authenticity, accuracy and integrity of the contents of the meeting minutes. The directors, secretary to the Board of Directors, convener or their representatives who attended the meeting **or attended the meeting as non-voting attendee**, and the chairman of the meeting shall sign the meeting minutes. The meeting minutes shall be maintained together with the registration record of the shareholders present, the power of attorney for proxy attendance, and the valid documents relating to the voting over network and other forms of voting at the domicile of the Company for a period of 10 years.
Article 103 The resolutions of a general meeting are classified into ordinary resolutions and special resolutions. Ordinary resolutions of the general meeting shall be passed by votes representing more than half of the voting rights held by the shareholders **(including proxies)** present at the meeting. Special resolutions of the general meeting shall be passed by votes representing more than two-thirds of the voting rights held by the shareholders **(including proxies)** who are present at the meeting.	**Article 103** The resolutions of a general meeting are classified into ordinary resolutions and special resolutions. Ordinary resolutions of the general meeting shall be passed by votes representing **more than half of the voting rights** held by the shareholders present at the meeting. Special resolutions of the general meeting shall be passed by votes representing more than two-thirds of the voting rights held by the shareholders who are present at the meeting.
Article 104 The following matters shall be passed by way of ordinary resolution of the general meeting:	**Article 104** The following matters shall be passed by way of ordinary resolution of the general meeting:

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(I) work reports of the Board of Directors **and the Board of Supervisors**; (II) profit distribution plan and loss recovery plan of the Company; (III) the appointment, dismissal and remuneration of the members of the Board of Directors **and the Board of Supervisors** and the method of payment of the remuneration; **(IV) the Company's annual financial budget plans, final accounting plans, balance sheet, income statement and other financial statements;** **(V) annual report of the Company;** (VI) the appointment and removal of accounting firms; (VII) any other matters other than those which are required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place on which the shares of the Company are listed or by the Articles of Association to be passed by way of special resolution.	(I) work reports of the Board of Directors; (II) profit distribution plan and loss recovery plan of the Company; (III) the appointment, dismissal and remuneration of the members of the Board of Directors and the method of payment of the remuneration; **(IV)** the appointment and removal of accounting firms; (V) any other matters other than those which are required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place on which the shares of the Company are listed or by the Articles of Association to be passed by way of special resolution.
Article 110 List of nominations for the candidates for directors **and supervisors** shall be submitted by way of proposal at the general meeting for voting. The general meeting shall vote on each candidate for director **and supervisor** one by one when going through the proposal. The Board of Directors shall announce to the shareholders the resumes and basic information of the candidates for directors **and supervisors**. During voting at the general meeting on the election of two or more directors **or supervisors to be represented by the shareholders**, cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolutions at the general meeting. If more than two	**Article 110** List of nominations for the candidates for directors shall be submitted by way of proposal at the general meeting for voting. The general meeting shall vote on each candidate for director one by one when going through the proposal. The Board of Directors shall announce to the shareholders the resumes and basic information of the candidates for directors. During voting at the general meeting on the election of two or more directors, cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolutions at the general meeting. If more than two independent non-executive directors are elected at the general

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independent non-executive directors are elected at the general meeting of the Company, the cumulative voting system shall apply. The cumulative voting system mentioned in the preceding paragraph means that when directors **or supervisors** are being elected at a general meeting, each share has any many voting right as the number of directors **or supervisors** to be elected, and the shareholders' voting rights may be used in a concentrated manner. When electing directors and implementing cumulative voting system, the election of independent non-executive directors shall be separated from the election of other directors to ensure the proportion of independent non-executive directors in the Board of Directors of the Company.	meeting of the Company, the cumulative voting system shall apply. The cumulative voting system mentioned in the preceding paragraph means that when directors are being elected at a general meeting, each share has any many voting right as the number of directors to be elected, and the shareholders' voting rights may be used in a concentrated manner. When electing directors and implementing cumulative voting system, the election of independent non-executive directors shall be separated from the election of other directors to ensure the proportion of independent non-executive directors in the Board of Directors of the Company.
Article 118 Before proposals are voted on at the general meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. When any shareholder has interests in any matter under consideration, the said shareholder and proxy thereof shall not participate in vote counting or scrutinizing. At the time of deciding on a proposal by voting at a general meeting, lawyers, shareholders' representatives **and supervisors' representatives** shall count and scrutinize the votes jointly and announce the voting results forthwith. The voting results in connection with the resolution shall be recorded in the meeting minutes. Shareholders or their proxies voting via the network or other means shall have the right to check their voting results via the corresponding voting system.	**Article 118** Before proposals are voted on at the general meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. When any shareholder has interests in any matter under consideration, the said shareholder and proxy thereof shall not participate in vote counting or scrutinizing. At the time of deciding on a proposal by voting at a general meeting, lawyers, shareholders' representatives shall count and scrutinize the votes jointly and announce the voting results forthwith. The voting results in connection with the resolution shall be recorded in the meeting minutes. Shareholders or their proxies voting via the network or other means shall have the right to check their voting results via the corresponding voting system.
Article 124 If the general meeting passes a proposal concerning the election of directors **or supervisors**, the directors elected **or supervisors elected** shall take office immediately after the general meeting or at such time specified in the resolution adopted at the general meeting.	**Article 124** If the general meeting passes a proposal concerning the election of directors, the directors elected shall take office immediately after the general meeting or at such time specified in the resolution adopted at the general meeting.

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Article 129 Shareholders of the affected class, whether or not originally having the right to vote at general meetings, shall have the right to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) or (XI) to (XII) of Article 128 of the Articles of Association, except that the interested shareholders shall not have the right to vote at the class meetings. The term "interested shareholders" referred to in the preceding paragraph shall have the following meanings: (I) if the Company has made a repurchase offer to all shareholders in the same proportion or has repurchased its own shares through public trading on a stock exchange in accordance with Article 28 of the Articles of Association, the controlling shareholders as defined in Article **271** hereof shall be the "interested shareholders"; (II) if the Company has repurchased its own shares by agreement outside a stock exchange in accordance with Article 28 of the Articles of Association, shareholders related to such agreement shall be the "interested shareholders"; (III) in the case of a restructuring of the Company, shareholders who will bear liability in a proportion smaller than that of the liability borne by other shareholders of the same class, or shareholders who have an interest in a restructuring proposal of the Company that is different from the interest in such restructuring proposal of other shareholders of the same class shall be the "interested shareholders".	**Article 129** Shareholders of the affected class, whether or not originally having the right to vote at general meetings, shall have the right to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) or (XI) to (XII) of Article 128 of the Articles of Association, except that the interested shareholders shall not have the right to vote at the class meetings. The term "interested shareholders" referred to in the preceding paragraph shall have the following meanings: (I) if the Company has made a repurchase offer to all shareholders in the same proportion or has repurchased its own shares through public trading on a stock exchange in accordance with Article 28 of the Articles of Association, the controlling shareholders as defined in Article **264** hereof shall be the "interested shareholders"; (II) if the Company has repurchased its own shares by agreement outside a stock exchange in accordance with Article 28 of the Articles of Association, shareholders related to such agreement shall be the "interested shareholders"; (III) in the case of a restructuring of the Company, shareholders who will bear liability in a proportion smaller than that of the liability borne by other shareholders of the same class, or shareholders who have an interest in a restructuring proposal of the Company that is different from the interest in such restructuring proposal of other shareholders of the same class shall be the "interested shareholders".
Article 134 The directors shall be elected or replaced by the general meeting and may be relieved of their duties by the general meeting before the expiration of their term of office. The directors serve for a term of office of three years. Upon the expiration of the term, the	**Article 134 Non-employee representative** directors shall be elected or replaced by the general meeting and may be relieved of their duties by the general meeting before the expiration of their term of office. **Employee representatives in the Board of Directors shall be democratically elected by the Company's employees through the**

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directors may be re-elected and serve consecutive terms. The term of office of directors shall last from the date on which the directors take office to the expiration of the term of office of the current Board of Directors. If the term of office of a director expires but the director is not reelected in time, the former director shall still perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association before the newly elected director takes office. A director may be the chief executive officer (CEO) or senior management officers concurrently, provided that the number of directors who serve as chief executive officer (CEO) or other senior management officers concurrently and the directors, who are employee representatives, shall not exceed one half of the number of directors of the Company. Directors are not required to hold shares in the Company. The general meeting may, subject to the provisions of relevant laws, administrative regulations, departmental rules and rules governing securities of the place where the shares of the Company are listed, remove by ordinary resolution any director whose term of office has not yet expired (provided that claims of the director under any contract shall not be affected by this).	**employee representative meeting, employee meeting or other forms, and need not be submitted to the shareholders' general meeting for consideration.** The directors serve for a term of office of three years. Upon the expiration of the term, the directors may be re-elected and serve consecutive terms. The term of office of directors shall last from the date on which the directors take office to the expiration of the term of office of the current Board of Directors. If the term of office of a director expires but the director is not reelected in time, the former director shall still perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association before the newly elected director takes office. A director may be the chief executive officer (CEO) or senior management officers concurrently, provided that the number of directors who serve as chief executive officer (CEO) or other senior management officers concurrently and the directors, who are employee representatives, shall not exceed one half of the number of directors of the Company. Directors are not required to hold shares in the Company. The general meeting may, subject to the provisions of relevant laws, administrative regulations, departmental rules and rules governing securities of the place where the shares of the Company are listed, remove by ordinary resolution any director whose term of office has not yet expired (provided that claims of the director under any contract shall not be affected by this).
Article 135 The directors shall comply with the relevant provisions of the laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association, and shall fulfill the fiduciary obligation to the Company as follows: (I) not to **take advantage of his/her functions and powers to accept**	**Article 135** The directors shall comply with the relevant provisions of the laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association, and shall fulfill the fiduciary obligation to the Company as follows:

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bribes or other illegal income, and not to misappropriate the property of the Company;	(I) not to **embezzle** the property of the Company **or misappropriate the funds of the Company**;
(II) not to misappropriate the funds of the Company;	(II) not to deposit the Company's assets or funds in an account opened in his/her own name or in the name of any other individual;
(III) not to deposit the Company's assets or funds in an account opened in his/her own name or in the name of any other individual;	**(III) not to take advantage of his/her functions and powers to accept bribes or other illegal income;**
(IV) not to **lend the Company's funds to others or using the Company's assets as security for others in violation of the Articles of Association and without the prior approval of the general meeting or the Board of Directors;**	(IV) not to **directly or indirectly enter into any contract or perform any transaction with the Company without reporting to the Board of Directors or the general meeting and obtaining approval through a resolution of the Board of Directors or the general meeting in accordance with the provisions of these Articles of Association**;
(V) **not to enter into a contract or transaction with the Company in violation of the provisions of the Articles of Association, or without the consent of the general meeting;**	(V) **not to make use of his position to procure business opportunities that belong to the Company for himself or others, except when having reported to the Board of Directors or the general meeting and approved by a resolution of the general meeting, or except that the Company is unable to utilize such business opportunity according to the provisions of laws, administrative regulations, or these Articles of Association;**
(VI) **not to take advantage of his/her position to seek business opportunities that should belong to the Company for himself/herself or others, or engage in business similar to that of the Company for himself/herself or others, without the prior approval of the general meeting;**	(VI) **not to engage in the same business as the Company for his own account or for the benefits of any other persons without reporting to the Board of Directors or the general meeting and obtaining approval through a resolution of the general meeting;**
(VII) not to accept and embezzle commissions from transactions between other persons and the Company;	(VII) not to accept and embezzle commissions from transactions
(VIII) not to disclose the secrets of the Company without authorization;	
(IX) not to damage the interests of the Company by taking advantage of his/her affiliation;	
(X) other fiduciary obligations stipulated in the laws, administrative regulations,	

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departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association. The income derived by the Directors in violation of this Article shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation.	between other persons and the Company; (VIII) not to disclose the secrets of the Company without authorization, **not to disclose major information yet to be disclosed, not to acquire interests through inside information, and not to perform the non-competition obligation after resignation as agreed with the Company;** (IX) not to damage the interests of the Company by taking advantage of his/her affiliation; (X) **to safeguard the interests of the Company and all shareholders, and not to prejudice the interests of the Company for the interest of actual controllers, shareholders, employees, himself/herself or other third parties;** (XI) other fiduciary obligations stipulated in the laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association. The income derived by the Directors in violation of this Article shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation. **When close relatives of directors and members of senior management, enterprises directly or indirectly controlled by directors, members of senior management or their close relatives, and other related parties having other affiliations or associated with directors or members of senior management enter into contracts or conduct transactions with the Company, the provisions of item (IV) of the second paragraph of this Article shall apply.**

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Article 136 The directors shall comply with laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association, and bear the following responsibilities of diligence to the Company: (I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations, departmental rules and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company; (II) to be fair to all shareholders; (III) to timely understand the business operations and management of the Company; (IV) to sign a written confirmation to the Company's periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete; (V) to provide the status reports and information to the **Board of Supervisors** honestly, and not to hinder the **Board of Supervisors or supervisors** from exercising their powers; (VI) other responsibilities of diligence stipulated in the laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association.	**Article 136** The directors shall comply with laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association, and bear the following responsibilities of diligence to the Company: (I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations, departmental rules and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company; (II) to be fair to all shareholders; (III) to timely understand the business operations and management of the Company; (IV) to sign a written confirmation to the Company's periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete; (V) to provide the status reports and information to the **audit committee** honestly, and not to hinder the **audit committee** from exercising their powers; (VI) other responsibilities of diligence stipulated in the laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association.
Article 137 Means and procedures for nomination of directors: (I) candidates for independent non-executive directors shall be	**Article 137** Means and procedures for nomination of **non-employee representative directors**:

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nominated by the Board of Directors, **Board of Supervisors** or shareholders individually or jointly holding more than 1% of shares issued by the Company. The investor protection institution established in accordance with the law may publicly request the shareholders to entrust them to exercise the right to nominate independent non-executive directors on their behalf. The nominator shall not nominate persons with interests or other close associates who may affect the performance of their duties as independent non-executive director candidates. Candidates for other directors shall be nominated by the Board of Directors or the shareholders individually or jointly holding more than **3%** of shares of the Company;	(I) candidates for independent non-executive directors shall be nominated by the Board of Directors or shareholders individually or jointly holding more than 1% of shares issued by the Company. The investor protection institution established in accordance with the law may publicly request the shareholders to entrust them to exercise the right to nominate independent non-executive directors on their behalf. The nominator shall not nominate persons with interests or other close associates who may affect the performance of their duties as independent non-executive director candidates. Candidates for other directors shall be nominated by the Board of Directors or the shareholders individually or jointly holding more than **1%** of shares of the Company;
(II) a written commitment shall be made by the candidate prior to the notice of a general meeting is issued, expressing his/her willingness to accept the nomination, promising to publicly disclose his/her information truthfully and completely and warranting to faithfully fulfill his/her obligations as a director after election; the nominator for independent non-executive directors shall obtain the consent of the nominee before nomination. The nominator shall be fully aware of the nominee's occupation, education background, professional title, detailed working experience, all part-time jobs, whether there are any bad records such as major dishonesty, etc., and shall give opinions on his/her independence and other conditions for serving as an independent director. The nominee shall make a public declaration as to his/her independence and other	(II) a written commitment shall be made by the candidate prior to the notice of a general meeting is issued, expressing his/her willingness to accept the nomination, promising to publicly disclose his/her information truthfully and completely and warranting to faithfully fulfill his/her obligations as a director after election; the nominator for independent non-executive directors shall obtain the consent of the nominee before nomination. The nominator shall be fully aware of the nominee's occupation, education background, professional title, detailed working experience, all part-time jobs, whether there are any bad records such as major dishonesty, etc., and shall give opinions on his/her independence and other conditions for serving as an independent director. The nominee shall make a public declaration as to his/her independence and other

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conditions for serving as an independent director; (III) a notice on the intention to nominate a director candidate and the candidate's presentation of being willing to accept the nomination shall be issued to the Company at least seven days prior to the meeting. The period for giving such a notice shall commence from the despatch of the notice on the election and end not later than seven days prior to the date of such meeting (or earlier).	conditions for serving as an independent director; (III) a notice on the intention to nominate a director candidate and the candidate's presentation of being willing to accept the nomination shall be issued to the Company at least seven days prior to the meeting. The period for giving such a notice shall commence from the despatch of the notice on the election and end not later than seven days prior to the date of such meeting (or earlier).
Article 139 The director may resign before the expiration of his/her term. The director shall submit a written resignation report to the **Board of Directors**. **The Board of Directors will disclose the relevant information within 2 days.** If the resignation of a director causes the Company's Board of Directors to be below the minimum quorum, the former director shall, before the newly elected director takes office, still perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association. Any person appointed by the Board of Directors as a director to fill a casual vacancy or increase the number of directors shall serve only until the next annual general meeting of the Company and shall in that time be eligible for re-election. All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. **Except as provided in the preceding paragraph, the resignation of directors shall come into force upon the delivery of the resignation report to the Board of Directors.** **Article 140** Upon a director's submission of his/her resignation or at the expiry of his/her office, he/she shall complete all of the	**Article 139** The director may resign before the expiration of his/her term. The director shall submit a written resignation report to the **Company**. **The resignation shall become effective on the date the Company receives the resignation report, and the Company shall disclose the relevant information within two trading days.** If the resignation of a director causes the Company's Board of Directors to be below the minimum quorum, the former director shall, before the newly elected director takes office, still perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association. Any person appointed by the Board of Directors as a director to fill a casual vacancy or increase the number of directors shall serve only until the next annual general meeting of the Company and shall in that time be eligible for re-election. All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. **The Company has established a management system for director resignations, clearly specifying the safeguard measures for the recovery of liability and compensation for unfulfilled public commitments and other outstanding matters.** Upon a director's

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handover procedures with the Board of Directors, and his/her fiduciary obligations to the Company and the shareholders shall not necessarily cease before his/her resignation report becoming effective or within a reasonable period after it becoming effective or after the termination of tenure. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of his/her tenure up until the disclosure of such trade secrets. The duration of other obligations shall be determined on the principle of fairness.	submission of his/her resignation or at the expiry of his/her office, he/she shall complete all of the handover procedures with the Board of Directors, and his/her fiduciary obligations to the Company and the shareholders shall not necessarily cease before his/her resignation report becoming effective or within a reasonable period after it becoming effective or after the termination of tenure. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of his/her tenure up until the disclosure of such trade secrets. The duration of other obligations shall be determined on the principle of fairness. **The obligations of a director arising from the performance of his/her duties during his/her term of office shall not be relieved or terminate upon his/her resignation.** **The shareholders' general meeting may resolve to dismiss a director, and the dismissal shall take effect on the date of the resolution. If a director is dismissed without just cause before the end of his/her term, the director may seek compensation from the Company.**
Article 142 A director that violates laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association and causes losses to the Company in performing duties of the Company shall be liable for compensation.	**Article 141 If a director causes damage to others in the course of performing his/her duties in connection with his/her position, the Company shall be liable for compensation; if the director acts with intent or gross negligence, he/she shall also bear the liability for compensation.** A director that violates laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association and causes losses to the Company in performing duties of the Company shall be liable for compensation.
Article 147 Independent non-executive **Directors** shall, in accordance with the requirements of relevant laws, administrative regulations, departmental rules and rules governing securities of the place where the Company's shares are listed, earnestly perform their duties, safeguard the overall interests of the Company, and especially strive to protect the legitimate rights and interests of the minority shareholders. Independent non-executive Directors shall perform their duties independently and shall not be influenced by the Company and its substantial shareholders and	**Article 146** Independent non-executive **directors** shall, in accordance with the requirements of relevant laws, administrative regulations, departmental rules and rules governing securities of the place where the Company's shares are listed, earnestly perform their duties, safeguard the overall interests of the Company, and especially strive to protect the legitimate rights and interests of the minority shareholders. Independent non-executive Directors shall perform their duties independently and shall not be influenced by the Company and its substantial shareholders and

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actual controllers or other units or individuals having interests in the Company and its substantial shareholders and actual controllers.	actual controllers or other units or individuals having interests in the Company and its substantial shareholders and actual controllers.
-	**Article 147 Independent non-executive directors, as members of the Board, shall bear fiduciary and diligent duties to the Company and all shareholders, and prudently perform the following duties:** **(I) to participate in the decision-making of the Board and express clear opinions on matters discussed;** **(II) to supervise the potential major conflicts of interest between the Company and its controlling shareholders, beneficial controller, directors and senior management, and protect the lawful interests of minority shareholders;** **(III) to provide professional and objective advice on the Company's business development, and promote the improvement of the decision-making level of the Board;** **(IV) other duties stipulated by laws, administrative regulations, the provisions of the CSRC, the rules of the securities exchange of the place where the Company's shares are listed and the Articles of Association.**
-	**Article 148 The following matters shall be submitted to the Board for consideration after being approved by a majority of all the independent non-executive directors of the Company:** **(I) related party transactions that should be disclosed;** **(II) the plans for changes in or waivers of commitments by the Company and related parties;**

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	(III) decisions made and measures taken by the Board of the acquired listed company in relation to the acquisition; **(IV) other matters as prescribed by laws, administrative regulations, the provisions of the CSRC, the rules of the securities exchange of the place where the Company's shares are listed and the Articles of Association.**
Article 148 Where it is not expressly provided for in this section in relation to independent non-executive directors, the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association **concerning the directors of the Company** shall apply.	**Article 149** Where it is not expressly provided for in this section in relation to independent non-executive directors, the provisions of laws, administrative regulations, departmental rules, rules governing securities of the place where the shares of the Company are listed and the Articles of Association shall apply.
Article 149 The Company shall have a Board of Directors accountable to the shareholders' general meeting and reporting work to the meeting. The Board of Directors is composed of 9 directors, including 1 chairman.	**Article 150** The Company shall have a Board of Directors accountable to the shareholders' general meeting and reporting work to the meeting. The Board of Directors is composed of 9 directors, including 1 chairman a**nd 1 employee director**.
Article 150 The Board of Directors shall perform the following duties and powers: (I) to convene shareholders' general meetings and report to shareholders' general meetings; (II) to implement the resolutions of the shareholders' general meeting; (III) to determine business operation plans and investment plans of the Company; **(IV) to formulate the annual financial budget plans and final accounting plans of the Company;**	**Article 151** The Board of Directors shall perform the following duties and powers: (I) to convene **shareholders' general meetings and report to shareholders' general meetings;** (II) to implement the resolutions of the shareholders' general meeting; (III) to determine business operation plans and investment plans of the Company; (IV) to formulate the profit distribution plans and loss recovery plans of the Company; (V) to formulate plans of the Company regarding increase or reduction of the registered capital,

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(V) to formulate the profit distribution plans and loss recovery plans of the Company;	issuance of bonds or other securities and listing;
(VI) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;	(VI) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;
(VII) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;	(VII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc. of the Company within the authority granted by the shareholders' general meeting;
(VIII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc. of the Company within the authority granted by the shareholders' general meeting;	(VIII) to determinate the setup of the Company's internal management structure;
(IX) to determinate the setup of the Company's internal management structure;	(IX) based on the nominations of the chairman of the Board of Directors, to appoint or remove the Company's CEO and secretary to the Board of Directors; based on the nominations of CEO, to appoint or remove the Company's Co-CEO, CSO, COO, CFO, CTO, CBO, executive vice president, senior vice president, vice president and other senior management officers and to determine their remuneration, rewards and punishments;
(X) based on the nominations of the chairman of the Board of Directors, to appoint or remove the Company's CEO and secretary to the Board of Directors; based on the nominations of CEO, to appoint or remove the Company's Co-CEO, CSO, COO, CFO, CTO, CBO, executive vice president, senior vice president, vice president and other senior management officers and to determine their remuneration, rewards and punishments;	(X) to formulate the basic management system of the Company;
(XI) to formulate the basic management system of the Company;	(XI) to formulate the amendment to the Articles of Association;
(XII) to formulate the amendment to the Articles of Association;	(XII) to manage the information disclosure of the Company;
	(XIII) to request the shareholders' general meeting to engage or replace the accounting firm that provides audits for the Company;

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(XIII) to manage the information disclosure of the Company;	(XIV) to listen to the work report of the CEO of the Company and examine the CEO's work;
(XIV) to request the shareholders' general meeting to engage or replace the accounting firm that provides audits for the Company;	(XV) to review and approve, based on the calculation of the percentage ratio in accordance with the Article 14.07 of the Hong Kong Listing Rules, (1) share transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) of which all the percentage ratios are less than 5% and the consideration includes the shares to be issued and listed, (2) discloseable transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) with the percentage ratios higher than 5% but lower than 25%, and (3) based on the calculation of the percentage ratio in accordance with the Article 14.07 of the Hong Kong Listing Rules, partially exempt connected transactions and non-exempt connected transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) with the percentage ratios (except profit ratios) higher than 0.1% but lower than 5%;
(XV) to listen to the work report of the CEO of the Company and examine the CEO's work;	(XVI) other duties and powers that should be exercised by the Board of Directors stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.
(XVI) to review and approve, based on the calculation of the percentage ratio in accordance with the Article 14.07 of the Hong Kong Listing Rules, (1) share transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) of which all the percentage ratios are less than 5% and the consideration includes the shares to be issued and listed, (2) discloseable transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) with the percentage ratios higher than 5% but lower than 25%, and (3) based on the calculation of the percentage ratio in accordance with the Article 14.07 of the Hong Kong Listing Rules, partially exempt connected transactions and non-exempt connected transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) with the percentage ratios (except profit ratios) higher than 0.1% but lower than 5%;	(XVII) **other powers conferred by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of**
(XVII) other duties and powers that should be exercised by the Board of Directors stipulated by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.	

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The above resolutions adopted by the Board of Directors shall be approved by more than half of the directors. Where laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association provide otherwise, such provisions shall prevail. If any matter of authority to be exercised by the Board of Directors above or any transaction or arrangement of the Company, any events beyond the authorization scope of the shareholders' general meeting or any transaction or arrangement of the Company, shall be subject to review by the shareholders' general meeting according to the securities regulatory rules of the place where the Company's shares are listed, such matters shall be submitted to the general meeting for review.	**Association or the general meeting.** The above resolutions adopted by the Board of Directors shall be approved by more than half of the directors. Where laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association provide otherwise, such provisions shall prevail. If any matter of authority to be exercised by the Board of Directors above or any transaction or arrangement of the Company, any events beyond the authorization scope of the shareholders' general meeting or any transaction or arrangement of the Company, shall be subject to review by the shareholders' general meeting according to the securities regulatory rules of the place where the Company's shares are listed, such matters shall be submitted to the general meeting for review.
Article 157 The following connected transactions shall be submitted to the Board of Directors for consideration and approval, and be disclosed in time: (I) connected transactions that are entered into between the Company and a related natural person with a transaction amount of more than RMB300,000, whereas the Company shall not provide loans to the directors, **supervisors** or senior management officers directly or through its subsidiaries; (II) connected transactions that are entered into between the Company and a related legal person with a transaction amount of more than RMB3,000,000, representing more than 0.5% of the absolute value of the latest audited net assets of the Company. The following connected transactions of the Company that take place within 12 consecutive months shall be subject to the	**Article 158** The following connected transactions shall be submitted to the Board of Directors for consideration and approval, and be disclosed in time: (I) connected transactions that are entered into between the Company and a related natural person with a transaction amount of more than RMB300,000, whereas the Company shall not provide loans to the directors or senior management officers directly or through its subsidiaries; (II) connected transactions that are entered into between the Company and a related legal person with a transaction amount of more than RMB3,000,000, representing more than 0.5% of the absolute value of the latest audited net assets of the Company. The following connected transactions of the Company that take place within 12 consecutive months shall be subject to the

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aforesaid provisions in accordance with the principle of cumulative calculation: (I) transactions entered into with the same connected person; (II) transactions entered into with different connected person with respect to a same subject. The same aforesaid connected person shall include other connected person controlled by the same entity or having a mutual equity control relationship with the connected person. Connected transactions whose relevant obligations have been fulfilled in accordance with the first clause of this Article, shall no longer be included in the relevant cumulative calculation scope. If it is otherwise specified in provisions of the laws, administrative regulations, departmental rules and securities regulatory rules of the place where the Company's shares are listed on the approval authority of the matters involved in the aforementioned, such provisions shall prevail.	aforesaid provisions in accordance with the principle of cumulative calculation: (I) transactions entered into with the same connected person; (II) transactions entered into with different connected person with respect to a same subject. The same aforesaid connected person shall include other connected person controlled by the same entity or having a mutual equity control relationship with the connected person. Connected transactions whose relevant obligations have been fulfilled in accordance with the first clause of this Article, shall no longer be included in the relevant cumulative calculation scope. If it is otherwise specified in provisions of the laws, administrative regulations, departmental rules and securities regulatory rules of the place where the Company's shares are listed on the approval authority of the matters involved in the aforementioned, such provisions shall prevail.
Article 163 Board meetings comprise regular Board meetings and extraordinary Board meetings. Regular Board meetings are required to be held at least four times a year, approximately once per quarter. The Board meetings shall be convened by the chairman of the Board of Directors. Notices of regular Board meetings and meeting documents shall be delivered to all directors **and supervisors** at least 14 days before the meeting (not including the day of the meeting). The Board of Directors should have arrangements to ensure that all directors have the opportunity to propose matters for discussion on the agenda of regular Board meetings. Regular meetings may not be convened by way of written resolution. The Board meetings shall follow the principle of on-site convening. On the premise of ensuring the directors to fully express their opinions, the Board meetings may, if necessary, be convened by voting via video, telephone, fax	**Article 164** Board meetings comprise regular Board meetings and extraordinary Board meetings. Regular Board meetings are required to be held at least four times a year, approximately once per quarter. The Board meetings shall be convened by the chairman of the Board of Directors. Notices of regular Board meetings and meeting documents shall be delivered to all directors at least 14 days before the meeting (not including the day of the meeting). The Board of Directors should have arrangements to ensure that all directors have the opportunity to propose matters for discussion on the agenda of regular Board meetings. Regular meetings may not be convened by way of written resolution. The Board meetings shall follow the principle of on-site convening. On the premise of ensuring the directors to fully express their opinions, the Board meetings may, if necessary, be convened by voting via video, telephone, fax

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or e-mail with the consent of the convener (chairman of the meeting) or the proposer. The Board meetings may also be held by the on-site method in parallel with other methods. The notice of extraordinary Board meetings shall be delivered to all the directors 5 days before convening the meeting; with the approval of all the directors of the Company, the above notice time limit may be waived. In case of emergency and it is necessary to convene an extraordinary Board meeting as soon as possible, the meeting notice may be sent by telephone or other oral means at any time, provided that the convener shall make explanations at the meeting. The meeting notice shall be deemed to have been given to the directors who are present at the meeting and do not raise an objection that they have not received the notice of the meeting before or at the meeting.	or e-mail with the consent of the convener (chairman of the meeting) or the proposer. The Board meetings may also be held by the on-site method in parallel with other methods. The notice of extraordinary Board meetings shall be delivered to all the directors 5 days before convening the meeting; with the approval of all the directors of the Company, the above notice time limit may be waived. In case of emergency and it is necessary to convene an extraordinary Board meeting as soon as possible, the meeting notice may be sent by telephone or other oral means at any time, provided that the convener shall make explanations at the meeting. The meeting notice shall be deemed to have been given to the directors who are present at the meeting and do not raise an objection that they have not received the notice of the meeting before or at the meeting.
Article 164 Under one of the following circumstances, the chairman of the Board of Directors shall convene an extraordinary Board meeting within 10 days after the proposal is received: (I) proposed by the shareholders representing more than 10% of the shares with voting rights of the Company; (II) jointly proposed by one-third or more of the directors; (III) proposed by the **Board of Supervisors**; (IV) considered by the chairman of the Board of Directors to be necessary; (V) proposed by no less than half of the independent non-executive directors; (VI) proposed by the CEO; (VII) requested by securities regulatory authorities.	**Article 165** Under one of the following circumstances, the chairman of the Board of Directors shall convene an extraordinary Board meeting within 10 days after the proposal is received: (I) proposed by the shareholders representing more than 10% of the shares with voting rights of the Company; (II) jointly proposed by one-third or more of the directors; (III) proposed by the **audit committee**; (IV) considered by the chairman of the Board of Directors to be necessary; (V) proposed by **no less than half** of the independent non-executive directors; (VI) proposed by the CEO; (VII) requested by securities regulatory authorities.

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Article 165 Notice of regular or extraordinary Board meetings shall be delivered by personal delivery, fax, e-mail or other methods, except for extraordinary Board meetings in case of emergency. The notice of the Board meeting shall contain the following contents: (I) date and venue of the meeting; (II) duration of the meeting; **(III) form of convening the meeting;** (IV) reason to convene such meeting and proposals; (V) date of issue of notice.	**Article 166** Notice of regular or extraordinary Board meetings shall be delivered by personal delivery, fax, e-mail or other methods, except for extraordinary Board meetings in case of emergency. The notice of the Board meeting shall contain the following contents: (I) date and venue of the meeting; (II) duration of the meeting; (III) reason to convene such meeting and proposals; (IV) date of issue of notice.
Article 166 The Board meeting shall be held upon the attendance of more than half of the directors. "One person, one vote" is performed for the vote on resolutions of the Board of Directors. Unless otherwise provided by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, all resolutions of the Board of Directors may be passed by the majority of all directors. In the event of a tie between for and against, the chairman of the Board of Directors is entitled to one additional vote.	**Article 167** The Board meeting shall be held upon the attendance of more than half of the directors. **Resolutions made by the Board must be passed by more than half of all directors.** "One person, one vote" is performed for the vote on resolutions of the Board of Directors. Unless otherwise provided by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, all resolutions of the Board of Directors may be passed by the majority of all directors. In the event of a tie between for and against, the chairman of the Board of Directors is entitled to one additional vote.
Article 174 The circumstances stipulated in the Article of Association hereof with respect to disqualified directors of the Company shall be applicable to senior management officers of the Company. The fiduciary duties and duties of diligence regarding the directors **set out in Articles 135 and 136(IV)-(VI) respectively** shall be applicable to senior management officers.	**Article 175** The circumstances stipulated in the Article of Association hereof with respect to disqualified directors of the Company, **and the provisions on the resignation management system,** shall be applicable to senior management officers of the Company. The fiduciary duties and duties of diligence regarding the directors shall be applicable to senior management officers.
Article 178 Transactions less than the amount specified in Article **156** of the Articles of Association and subject to deliberation by	**Article 179** Transactions less than the amount specified in Article **157** of the Articles of Association and subject to deliberation by

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the Board, shall be reviewed and approved by the CEO authorized by the Board. "Transactions" in this article shall have the same meaning as the "transactions" set out in Article **156** of the Articles of Association.	the Board, shall be reviewed and approved by the CEO authorized by the Board. "Transactions" in this article shall have the same meaning as the "transactions" set out in Article **157** of the Articles of Association.
Article 179 The CEO shall formulate his/her terms of reference which shall be implemented after approval by the Board of Directors. The terms of reference of the CEO shall include the followings: (I) the conditions and procedures for convening meetings of the CEO and eligible participants of the meetings; (II) specific duties and responsibilities of the CEO and other senior management officers; (III) authority on the utilization of capital and assets of the Company and execution of major contracts and the reporting duty to the Board of Directors **and the Board of Supervisors**; (IV) other matters considered necessary by the Board of Directors.	**Article 180** The CEO shall formulate his/her terms of reference which shall be implemented after approval by the Board of Directors. The terms of reference of the CEO shall include the followings: (I) the conditions and procedures for convening meetings of the CEO and eligible participants of the meetings; (II) specific duties and responsibilities of the CEO and other senior management officers; (III) authority on the utilization of capital and assets of the Company and execution of major contracts and the reporting duty to the Board of Directors; (IV) other matters considered necessary by the Board of Directors.
Article 184 If any senior management officer violates the laws, administrative regulations, departmental rules or the Articles of Association in performing his/her duties, thereby incurring any loss of the Company, the said senior management officers shall be liable for compensation.	**Article 185 If a senior management officer causes damage to others in the course of performing his/her duties in connection with his/her position, the Company shall be liable for compensation; if the senior management officer acts with intent or gross negligence, he/she shall also bear the liability for compensation.** If any senior management officer violates the laws, administrative regulations, departmental rules, **securities regulatory rules of the place where the share of the Company** or the Articles of Association in performing his/her duties, thereby incurring any loss of the

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	Company, the said senior management officers shall be liable for compensation.
CHAPTER 7 BOARD OF SUPERVISORS	***[Delete]***
CHAPTER 8 QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS, <u>SUPERVISORS,</u> CEO AND OTHER SENIOR MANAGEMENT OFFICERS OF THE COMPANY	**CHAPTER 7 QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS, CEO AND OTHER SENIOR MANAGEMENT OFFICERS OF THE COMPANY**
Article 199 A person may not serve as a director, **supervisor,** CEO or other senior management officer of the Company if any of the following circumstances applies: (I) A person who loses or has limited capacity for civil conduct; (II) A person who has been imposed criminal penalty due to taking graft or committing bribery, infringing upon property, embezzling property or disrupting socialism market economic order and it is less than five years since completion of the enforcement of the criminal penalty; or is deprived of political rights due to offence and it is less than five years since completion of the enforcement of the penalty; (III) A person who is a former director, factory manager or manager of a company or enterprise which has been dissolved or put into liquidation as a result of mismanagement and who was personally liable for the winding up of such company or enterprise, where less than three years have elapsed since the date of completion of the insolvent liquidation of the company or enterprise; (IV) A person who is a former legal representative of a company or enterprise that the business license of which was revoked or which was ordered to close down	**Article 187** A person may not serve as a director, CEO or other senior management officer of the Company if any of the following circumstances applies: (I) A person who loses or has limited capacity for civil conduct; (II) A person who has been imposed criminal penalty due to taking graft or committing bribery, infringing upon property, embezzling property or disrupting socialism market economic order and it is less than five years since completion of the enforcement of the criminal penalty; or is deprived of political rights due to offence and it is less than five years since completion of the enforcement of the penalty; (III) A person who is a former director, factory manager or manager of a company or enterprise which has been dissolved or put into liquidation as a result of mismanagement and who was personally liable for the winding up of such company or enterprise, where less than three years have elapsed since the date of completion of the insolvent liquidation of the company or enterprise; (IV) A person who is a former legal representative of a company or enterprise that the business license of which was revoked or which was ordered to close down

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due to violation of law and who are personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license;	due to violation of law and who are personally liable therefor, where less than three years have elapsed since the date of the revocation of the business license;
(V) A person who has a large amount of outstanding debts which have become overdue;	(V) A person who has a large amount of outstanding debts which have become overdue;
(VI) A person who is currently under investigation by judicial authorities for violation of criminal law;	(VI) A person who is currently under investigation by judicial authorities for violation of criminal law;
(VII) A person who is under a penalty of prohibited access to the securities market imposed by the securities regulatory authority of the State Council, which penalty is still effective;	(VII) A person who is under a penalty of prohibited access to the securities market imposed by the securities regulatory authority of the State Council, which penalty is still effective;
(VIII) A person is otherwise disqualified for an enterprise leader by the laws, administrative regulations or departmental rules;	(VIII) A person is otherwise disqualified for an enterprise leader by the laws, administrative regulations or departmental rules;
(IX) A person other than a natural person;	(IX) A person other than a natural person;
(X) A person who has been convicted by the relevant competent authority for violation of relevant securities regulations and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have lapsed from the date of such conviction;	(X) A person who has been convicted by the relevant competent authority for violation of relevant securities regulations and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have lapsed from the date of such conviction;
(XI) A person who has other contents specified in laws, administrative regulations, departmental rules or securities regulatory rules of the places where the Company's shares are listed.	(XI) A person who has other contents specified in laws, administrative regulations, departmental rules or securities regulatory rules of the places where the Company's shares are listed.
Where any director, **supervisor** or senior management officer is elected, appointed or engaged counter to the provisions in this article, the said election, appointment or engagement shall be invalid. Where any director, supervisor or senior management officer gets involved in any of the circumstances herein during his/her	Where any director or senior management officer is elected, appointed or engaged counter to the provisions in this article, the said election, appointment or engagement shall be invalid. Where any director, supervisor or senior management officer gets involved in any of the circumstances herein during his/her

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term of office, the Company shall remove him/her as director, **supervisor,** president or senior management officer.	term of office, the Company shall remove him/her as director, president or senior management officer.
Article 201 In addition to the obligations imposed by laws, administrative regulations, departmental rules, or the securities regulatory authorities of the places where the Company's shares are listed, each of the Company's directors, **supervisors,** CEO and other senior management officers shall owe the following obligations to all shareholders in the exercise of the duties and powers entrusted to them by the Company: (I) Not to cause the Company to operate beyond the scope of business stipulated in its business license; (II) To act honestly and in the best interests of the Company; (III) Not to expropriate the property of the Company in any way, including but not limited to deprivation of opportunities which benefit the Company; (IV) Not to expropriate the individual rights of shareholders, including but not limited to the rights to distribution and voting rights, save and except pursuant to a restructuring of the Company which has been submitted to the shareholders' general meeting for approval in accordance with these Articles of Association.	**Article 189** In addition to the obligations imposed by laws, administrative regulations, departmental rules, or the securities regulatory authorities of the places where the Company's shares are listed, each of the Company's directors, CEO and other senior management officers shall owe the following obligations to all shareholders in the exercise of the duties and powers entrusted to them by the Company: (I) Not to cause the Company to operate beyond the scope of business stipulated in its business license; (II) To act honestly and in the best interests of the Company; (III) Not to expropriate the property of the Company in any way, including but not limited to deprivation of opportunities which benefit the Company; (IV) Not to expropriate the individual rights of shareholders, including but not limited to the rights to distribution and voting rights, save and except pursuant to a restructuring of the Company which has been submitted to the shareholders' general meeting for approval in accordance with these Articles of Association.
Article 202 Each of the Company's directors, **supervisors,** CEO and other senior management officers shall, in the exercise of his/her powers and in the discharge of his/her duties, exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.	**Article 190** Each of the Company's directors, CEO and other senior management officers shall, in the exercise of his/her powers and in the discharge of his/her duties, exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
Article 203 Each of the Company's directors, **supervisors,** CEO and other senior management officers shall exercise his/her powers or perform his/her duties in accordance with the fiduciary principle; and shall not put	**Article 191** Each of the Company's directors, CEO and other senior management officers shall exercise his/her powers or perform his/her duties in accordance with the fiduciary principle; and shall not put himself/herself in a

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himself/herself in a position where his/her duty and his/her interest may conflict. This principle includes without limitation discharging the following obligations: (I) to act honestly in the best interests of the Company; (II) to act within the scope of his/her powers and not to exceed such powers; (III) to exercise the discretion vested in him/her personally and not to allow himself/herself to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent given by the shareholders' general meeting, not to delegate his/her discretion to others to exercise; (IV) to treat shareholders of the same class equally and to treat shareholders of different classes fairly; (V) unless otherwise provided for in these Articles of Association or except with the informed consent of the shareholders' general meeting, not to enter into any contract, transaction or arrangement with the Company; (VI) not to use Company property for his/her own benefit in any way without the consent of the general meeting that has been informed; (VII) not to use his/her functions and power as a means for accepting bribes or other forms of illegal income, and not to illegally appropriate Company assets in any way, including (but not limited to) any opportunities that are favorable to the Company; (VIII) not to accept commissions in connection with Company transactions without the consent	position where his/her duty and his/her interest may conflict. This principle includes without limitation discharging the following obligations: (I) to act honestly in the best interests of the Company; (II) to act within the scope of his/her powers and not to exceed such powers; (III) to exercise the discretion vested in him/her personally and not to allow himself/herself to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent given by the shareholders' general meeting, not to delegate his/her discretion to others to exercise; (IV) to treat shareholders of the same class equally and to treat shareholders of different classes fairly; (V) unless otherwise provided for in these Articles of Association or except with the informed consent of the shareholders' general meeting, not to enter into any contract, transaction or arrangement with the Company; (VI) not to use Company property for his/her own benefit in any way without the consent of the general meeting that has been informed; (VII) not to use his/her functions and power as a means for accepting bribes or other forms of illegal income, and not to illegally appropriate Company assets in any way, including (but not limited to) any opportunities that are favorable to the Company; (VIII) not to accept commissions in connection with Company transactions without the consent

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of the shareholders' general meeting that has been informed;	of the shareholders' general meeting that has been informed;
(IX) to abide by the Articles of Association, perform his/her duties faithfully, protect the interests of the Company and not to seek personal gain with his/her position, functions and powers in the Company;	(IX) to abide by the Articles of Association, perform his/her duties faithfully, protect the interests of the Company and not to seek personal gain with his/her position, functions and powers in the Company;
(X) not to compete with the Company in any way without the consent of the shareholders' general meeting that has been informed;	(X) not to compete with the Company in any way without the consent of the shareholders' general meeting that has been informed;
(XI) not to embezzle the Company's funds or lend the Company's funds to others, not to deposit the Company's assets in accounts opened in his/her own or in another's name, and not to use the Company's assets as security for the debts of the Company's Shareholders or other persons;	(XI) not to embezzle the Company's funds or lend the Company's funds to others, not to deposit the Company's assets in accounts opened in his/her own or in another's name, and not to use the Company's assets as security for the debts of the Company's Shareholders or other persons;
(XII) not to disclose confidential information relating to the Company that was acquired by him/her during his/her office without the consent of the shareholders' general meeting that has been informed, and not to use such information except in the interests of the Company; however, such information may be disclosed to the court or other government authorities if: 1. required by law; 2. required for the public interest; 3. required for the interest of such director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company.	(XII) not to disclose confidential information relating to the Company that was acquired by him/her during his/her office without the consent of the shareholders' general meeting that has been informed, and not to use such information except in the interests of the Company; however, such information may be disclosed to the court or other government authorities if: 1. required by law; 2. required for the public interest; 3. required for the interest of such director, chief executive officer (CEO) or other senior management officers of the Company.

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Article 204 The directors, **supervisors,** chief executive officer (CEO) and other senior management officers of the Company shall not direct the following persons or institutions to do what the directors, supervisors, chief executive officer (CEO) and other senior management officers are prohibited from doing: (I) the spouse or minor child of a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company; (II) the trustee of a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company or of any person referred in paragraph (I) hereof; (III) the partner of a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company or of any person referred in paragraphs (I) and (II) hereof; (IV) the company over which a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company, alone or jointly with any person referred to in paragraphs (I), (II) and (III) hereof or any other director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company, has actual control; (V) a director, **supervisor,** chief executive officer (CEO) or other senior management officers of a company being controlled as referred to in paragraph (IV) hereof.	**Article 192** The directors, chief executive officer (CEO) and other senior management officers of the Company shall not direct the following persons or institutions to do what the directors, chief executive officer (CEO) and other senior management officers are prohibited from doing: (I) the spouse or minor child of a director, chief executive officer (CEO) or other senior management officers of the Company; (II) the trustee of a director, chief executive officer (CEO) or other senior management officers of the Company or of any person referred in paragraph (I) hereof; (III) the partner of a director, chief executive officer (CEO) or other senior management officers of the Company or of any person referred in paragraphs (I) and (II) hereof; (IV) the company over which a director, chief executive officer (CEO) or other senior management officers of the Company, alone or jointly with any person referred to in paragraphs (I), (II) and (III) hereof or any other director, chief executive officer (CEO) or other senior management officers of the Company, has actual control; (V) a director, chief executive officer (CEO) or other senior management officers of a company being controlled as referred to in paragraph (IV) hereof.

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Article 205 The obligation of honesty and credibility of the Company's directors, **supervisors,** chief executive officer (CEO) and other senior management officers does not necessarily cease with the termination of their office. Their confidentiality obligation in relation to the Company's trade secrets shall continue after the termination of their office. The term for which other obligations shall continue shall be decided upon in accordance with the principle of fairness, depending on the time lapse between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company is terminated.	**Article 193** The obligation of honesty and credibility of the Company's directors, chief executive officer (CEO) and other senior management officers does not necessarily cease with the termination of their office. Their confidentiality obligation in relation to the Company's trade secrets shall continue after the termination of their office. The term for which other obligations shall continue shall be decided upon in accordance with the principle of fairness, depending on the time lapse between the termination and the occurrence of the matter as well as the circumstances and conditions under which the relationship with the Company is terminated.
Article 206 A director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company may be relieved from liability for a specific breach of obligations by the general meeting that has been informed, except in circumstances as specified in the listing rules of the place where the Company's shares are listed.	**Article 194** A director, chief executive officer (CEO) or other senior management officers of the Company may be relieved from liability for a specific breach of obligations by the general meeting that has been informed, except in circumstances as specified in the listing rules of the place where the Company's shares are listed.
Article 207 If a Director, **Supervisor,** chief executive officer (CEO) or other senior management officers of the Company has directly or indirectly been vested a material interest in a contract, transaction or arrangement concluded or planned by the Company (except for his/her employment contract with the Company), he/she shall disclose the nature and extent of his/her interest to the Board at the earliest opportunity, whether or not the matter is normally subject to the approval of the Board. Except as provided for in note 1 appended to Appendix 3 to the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange, the director shall not vote on any contract or arrangement or any other proposed resolution of the Board in which he/she has a material interest through himself/herself or any of his/her close associates (as defined in the Hong Kong Listing Rules); nor shall he/she be counted when determining whether a quorum is present at the meeting. Unless the interested director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company has disclosed such interest to the Board as required under the preceding paragraphs of this Article and the matter has been approved by the Board at a meeting in which he/she was not	**Article 195** If a Director, chief executive officer (CEO) or other senior management officers of the Company has directly or indirectly been vested a material interest in a contract, transaction or arrangement concluded or planned by the Company (except for his/her employment contract with the Company), he/she shall disclose the nature and extent of his/her interest to the Board at the earliest opportunity, whether or not the matter is normally subject to the approval of the Board. Except as provided for in note 1 appended to Appendix 3 to the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange, the director shall not vote on any contract or arrangement or any other proposed resolution of the Board in which he/she has a material interest through himself/herself or any of his/her close associates (as defined in the Hong Kong Listing Rules); nor shall he/she be counted when determining whether a quorum is present at the meeting. Unless the interested director, chief executive officer (CEO) or other senior management officers of the Company has disclosed such interest to the Board as required under the preceding paragraphs of this Article and the matter has been approved by the Board at a meeting in which he/she was not counted in the

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counted in the quorum and had refrained from voting, the Company shall have the right to void the contract, transaction or arrangement, except where the other party is a bona fide party acting without knowledge of the breach of obligation by the director, **supervisor,** chief executive officer (CEO) or other senior management officers concerned. A director, **a supervisor,** chief executive officer (CEO) or other senior management officers of the Company shall be deemed to have an interest in any contract, transaction or arrangement in which a connected person of that director, **supervisor,** chief executive officer (CEO) or other senior management officers has an interest.	quorum and had refrained from voting, the Company shall have the right to void the contract, transaction or arrangement, except where the other party is a bona fide party acting without knowledge of the breach of obligation by the director, chief executive officer (CEO) or other senior management officers concerned. A director, chief executive officer (CEO) or other senior management officers of the Company shall be deemed to have an interest in any contract, transaction or arrangement in which a connected person of that director, chief executive officer (CEO) or other senior management officers has an interest.
Article 208 If a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company gives a written notice to the Board before the conclusion of the contract, transaction or arrangement is first considered by the Company, stating that due to the contents as stipulated in the notice, he/she has an interest in the contract, transaction or arrangement that may subsequently be entered into by the Company, such a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company shall be deemed for the purposes of the preceding articles of this Chapter to have declared his/her interest, insofar as attributable to the scope stated in the notice.	**Article 196** If a director, chief executive officer (CEO) or other senior management officers of the Company gives a written notice to the Board before the conclusion of the contract, transaction or arrangement is first considered by the Company, stating that due to the contents as stipulated in the notice, he/she has an interest in the contract, transaction or arrangement that may subsequently be entered into by the Company, such a director, chief executive officer (CEO) or other senior management officers of the Company shall be deemed for the purposes of the preceding articles of this Chapter to have declared his/her interest, insofar as attributable to the scope stated in the notice.
Article 209 The Company shall not pay taxes in any way on behalf of its directors, **supervisors,** chief executive officer (CEO) or other senior management officers.	**Article 197** The Company shall not pay taxes in any way on behalf of its directors, chief executive officer (CEO) or other senior management officers.
Article 210 The Company shall not directly or indirectly provide a loan or loan guarantee to its directors, **supervisors,** chief executive officer (CEO) or other senior management officers, those of its parent company, or connected persons of the above-mentioned persons. The preceding paragraph shall not apply to the following circumstances:	**Article 198** The Company shall not directly or indirectly provide a loan or loan guarantee to its directors, chief executive officer (CEO) or other senior management officers, those of its parent company, or connected persons of the above-mentioned persons. The preceding paragraph shall not apply to the following circumstances: (I) The provision by the Company of a loan to or loan guarantee for its subsidiary;

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(I) The provision by the Company of a loan to or loan guarantee for its subsidiary; (II) The provision of a loan or loan guarantee or other funds by the Company to a director, **supervisors,** chief executive officer (CEO) or other senior management officers of the Company under an employment contract approved by the general meeting, so as to enable him/her to pay the expenses incurred for a purpose in relation to the Company or for the performance of his/her duties to the Company; (III) The provision of a loan or loan guarantee by the Company to the relevant director, **supervisors,** chief executive officer (CEO) or other senior management officers of the Company or to a connected person thereof on normal commercial terms, if the ordinary business scope of the Company includes the lending of money or the provision of loan guarantee.	(II) The provision of a loan or loan guarantee or other funds by the Company to a director, chief executive officer (CEO) or other senior management officers of the Company under an employment contract approved by the general meeting, so as to enable him/her to pay the expenses incurred for a purpose in relation to the Company or for the performance of his/her duties to the Company; (III) The provision of a loan or loan guarantee by the Company to the relevant director, chief executive officer (CEO) or other senior management officers of the Company or to a connected person thereof on normal commercial terms, if the ordinary business scope of the Company includes the lending of money or the provision of loan guarantee.
Article 212 Loan guarantee provided by the Company in breach of **first paragraph of** Article **210** shall not be enforceable against the Company, unless: (I) when the loan is provided to a connected person of a director, **supervisor,** chief executive officer (CEO) or other senior management officers of the Company or its parent company, and the loan provider is not aware of the circumstances; (II) the collateral provided by the Company has been lawfully sold by the loan provider to a bona fide purchaser.	**Article 200** Loan guarantee provided by the Company in breach of the Article **198** shall not be enforceable against the Company, unless: (I) when the loan is provided to a connected person of a director, chief executive officer (CEO) or other senior management officers of the Company or its parent company, and the loan provider is not aware of the circumstances; (II) the collateral provided by the Company has been lawfully sold by the loan provider to a bona fide purchaser.
Article 214 If a director, **a supervisor,** or other senior management officers of the Company breaches his/her obligations to the Company, the Company shall, in addition to any right and remedy available under laws,	**Article 202** If a director or other senior management officers of the Company breaches his/her obligations to the Company, the Company shall, in addition to any right and remedy

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administrative regulations and departmental rules, have the right to: (I) require the relevant director, **supervisor,** chief executive officer (CEO) or other senior management officers to compensate for the losses suffered by the Company as a consequence of his/her dereliction of duty; (II) rescind any contract or transaction concluded by the Company with the relevant director, **supervisor,** chief executive officer (CEO) or other senior management officers and any contract or transaction with a third party where such third party is aware or shall be aware that the director, **supervisor,** chief executive officer (CEO) or other senior management officers representing the Company was in breach of his/her obligations to the Company; (III) require the relevant director, **supervisor,** chief executive officer (CEO) or other senior management officers to surrender the gains derived from the breach of his/her obligations; (IV) recover any funds received by the relevant director, **supervisor,** chief executive officer (CEO) or other senior management officers that shall have been received by the Company, including (but not limited to) commissions; (V) require the relevant director, **supervisor,** chief executive officer (CEO) or other senior management officers to return any interest accrued or could have accrued on funds which should have been paid to the Company.	available under laws, administrative regulations and departmental rules, have the right to: (I) require the relevant director, chief executive officer (CEO) or other senior management officers to compensate for the losses suffered by the Company as a consequence of his/her dereliction of duty; (II) rescind any contract or transaction concluded by the Company with the relevant director, chief executive officer (CEO) or other senior management officers and any contract or transaction with a third party where such third party is aware or shall be aware that the director, chief executive officer (CEO) or other senior management officers representing the Company was in breach of his/her obligations to the Company; (III) require the relevant director, chief executive officer (CEO) or other senior management officers to surrender the gains derived from the breach of his/her obligations; (IV) recover any funds received by the relevant director, chief executive officer (CEO) or other senior management officers that shall have been received by the Company, including (but not limited to) commissions; (V) require the relevant director, chief executive officer (CEO) or other senior management officers to return any interest accrued or could have accrued on funds which should have been paid to the Company.

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Article 215 The Company shall enter into a contract in writing with each director, **supervisor**, chief executive officer (CEO) and other senior management officers containing at least the following provisions: (I) Directors, **supervisors,** chief executive officer (CEO) and other senior management officers undertake to the Company that they will comply with the Company Law, the Special Provisions, the Articles of Association, the Code on Takeovers and Mergers approved (as amended from time to time) by the Securities and Futures Commission of Hong Kong, the Code on Share Repurchases, and other provisions of the Hong Kong Stock Exchange, and agree that the Company will enjoy the remedies provided for in the Articles of Association and that the contract and the post shall not be assignable; (II) The director, **supervisor,** chief executive officer (CEO) and other senior management officers undertakes to the Company that he/she will observe and perform his/her duties to shareholders under these Articles of Association; (III) The arbitration clause stipulated in Article **270** of these Articles of Association.	**Article 203** The Company shall enter into a contract in writing with each director, chief executive officer (CEO) and other senior management officers containing at least the following provisions: (I) Directors, chief executive officer (CEO) and other senior management officers undertake to the Company that they will comply with the Company Law, the Special Provisions, the Articles of Association, the Code on Takeovers and Mergers approved (as amended from time to time) by the Securities and Futures Commission of Hong Kong, the Code on Share Repurchases, and other provisions of the Hong Kong Stock Exchange, and agree that the Company will enjoy the remedies provided for in the Articles of Association and that the contract and the post shall not be assignable; (II) The director, chief executive officer (CEO) and other senior management officers undertakes to the Company that he/she will observe and perform his/her duties to shareholders under these Articles of Association; (III) The arbitration clause stipulated in Article 263 of these Articles of Association.
Article 216 The Company shall enter into a written contract with each director **and supervisor** concerning his/her remuneration with the prior approval of shareholders' general meeting. The above-mentioned remuneration shall include: (I) remuneration in respect of his/her service as a director, **supervisor** or senior management officers of the Company; (II) remuneration in respect of his/her service as a director, **supervisor**	**Article 204** The Company shall enter into a written contract with each director concerning his/her remuneration with the prior approval of shareholders' general meeting. The above-mentioned remuneration shall include: (I) remuneration in respect of his/her service as a director or senior management officers of the Company; (II) remuneration in respect of his/her service as a director or senior

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or senior management officers of the subsidiary of the Company; (III) remuneration in connection with other services he/she provides for the management of the Company or any subsidiary thereof; (IV) funds as compensation for loss of office or retirement for the director **or supervisor.** A director **or supervisor** may not sue the Company for benefits due to him/her on the basis of the above-mentioned matters, except under a contract as mentioned above.	management officers of the subsidiary of the Company; (III) remuneration in connection with other services he/she provides for the management of the Company or any subsidiary thereof; (IV) funds as compensation for loss of office or retirement for the director. A director may not sue the Company for benefits due to him/her on the basis of the above-mentioned matters, except under a contract as mentioned above.
Article 217 The contract for remunerations entered into between the Company and its directors **or supervisors** shall provide that in the event of a takeover of the Company, the directors **and supervisors** shall, subject to the prior approval of the shareholders in the general meeting, have the right to receive compensation or other payment for loss of the position or retirement. A takeover of the Company as referred to above means: (I) anyone making a takeover offer to all the shareholders; (II) anyone making a takeover offer with the purpose of making the offeror a controlling shareholder. The definition of controlling shareholders is in line with the definition in the Article **271** of the Articles of Association. If the relevant director **or supervisor** fails to comply with this Article, any fund received by him/her shall belong to the persons who have sold their shares as a result of their acceptance of the above-mentioned offer, and the expenses incurred in the distribution of such funds on a proportional basis shall be borne by the relevant director **or supervisor** and may not be paid out of such funds.	**Article 205** The contract for remunerations entered into between the Company and its directors shall provide that in the event of a takeover of the Company, the directors shall, subject to the prior approval of the shareholders in the general meeting, have the right to receive compensation or other payment for loss of the position or retirement. A takeover of the Company as referred to above means: (I) anyone making a takeover offer to all the shareholders; (II) anyone making a takeover offer with the purpose of making the offeror a controlling shareholder. The definition of controlling shareholders is in line with the definition in the Article 264 of the Articles of Association. If the relevant director fails to comply with this Article, any fund received by him/her shall belong to the persons who have sold their shares as a result of their acceptance of the above-mentioned offer, and the expenses incurred in the distribution of such funds on a proportional basis shall be borne by the relevant director and may not be paid out of such funds.

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Article 224 When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% or more of the registered capital, the Company is released from the obligation of withdrawing statutory reserve fund. Where the Company's statutory reserve fund is insufficient to cover the previous year's losses, the Company shall first use the profits of the current year to cover the losses before withholding the statutory reserve fund according to the provisions of the previous paragraph. After the Company withholds the statutory reserve fund from the after-tax profit, it may also withhold optional reserve fund from the after-tax profit upon the resolution of the general meeting. The remaining after-tax profits of the Company after making up the losses and withdrawing the reserve funds may be distributed according to the proportion of shares held by the shareholders. Where the general meeting, in violation of the provisions of the preceding paragraph, distributes the profits to the Shareholders before the Company makes up the losses and withholds the statutory reserve fund, the Shareholders must return the profits distributed in violation of the provisions to the Company. The Company's Shares held by the Company shall not participate in the distribution of profits.	**Article 212** When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% or more of the registered capital, the Company is released from the obligation of withdrawing statutory reserve fund. Where the Company's statutory reserve fund is insufficient to cover the previous year's losses, the Company shall first use the profits of the current year to cover the losses before withholding the statutory reserve fund according to the provisions of the previous paragraph. After the Company withholds the statutory reserve fund from the after-tax profit, it may also withhold optional reserve fund from the after-tax profit upon the resolution of the general meeting. The remaining after-tax profits of the Company after making up the losses and withdrawing the reserve funds may be distributed according to the proportion of shares held by the shareholders. Where the general meeting, in violation of the provisions of the preceding paragraph, distributes the profits to the Shareholders before the Company makes up the losses and withholds the statutory reserve fund, the Shareholders must return the profits distributed in violation of the provisions to the Company. **In case of losses caused to the Company, shareholders and responsible directors and senior management officers shall be liable for compensation.** The Company's Shares held by the Company shall not participate in the distribution of profits.
Article 225 The reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation or to increase its capital. **However, the capital reserve fund shall not be used to cover the loss of the Company. The capital reserve fund consists of the following:**	**Article 213** The reserve fund of the Company shall be used to cover the Company's losses, expand its production and operation or to increase its capital. **For making up the losses of the Company by the reserves, the discretionary reserve and the statutory reserve shall be used first; if the losses still cannot be made up, the capital reserve may be used in accordance with regulations.** The capital reserve fund consists of the following:

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(I) the premium from the issuance of shares in excess of their face value; and (II) other income to be included in the capital reserve fund as stipulated by the competent financial department of the State Council. When the statutory reserve fund is converted into capital, the remaining statutory reserve fund shall be no less than 25% of the registered capital of the Company before the capital increase.	(I) the premium from the issuance of shares in excess of their face value; and (II) other income to be included in the capital reserve fund as stipulated by the competent financial department of the State Council. When the statutory reserve fund is converted into capital, the remaining statutory reserve fund shall be no less than 25% of the registered capital of the Company before the capital increase.
Article 229 Decision-making mechanism and procedures for profit distribution of the Company: (I) The policy and proposal for profit distribution of the Company shall be formulated by the Board of Directors; (II) The Board of Directors shall fully discuss with independent non-executive directors and seek for the opinions of shareholders, especially the public shareholders when determining the profit distribution proposal according to the established profit distribution policy. The profit distribution proposal shall provide continuous, stable and reasonable return to all shareholders; The profit distribution proposal should include an explanation for the use of retained undistributed profits, and if the Company's profit distribution proposal does not include a cash dividend, the Board of Directors should provide a special explanation of the specific reasons, the exact use of the Company's retained earnings, the expected investment income and other matters. (III) The Board shall carefully study and discuss the timing, conditions, and minimum proportion of cash dividend of the	**Article 217** Decision-making mechanism and procedures for profit distribution of the Company: (I) The policy and proposal for profit distribution of the Company shall be formulated by the Board of Directors; (II) The Board of Directors shall fully discuss with independent non-executive directors and seek for the opinions of shareholders, especially the public shareholders when determining the profit distribution proposal according to the established profit distribution policy. The profit distribution proposal shall provide continuous, stable and reasonable return to all shareholders; The profit distribution proposal should include an explanation for the use of retained undistributed profits, and if the Company's profit distribution proposal does not include a cash dividend, the Board of Directors should provide a special explanation of the specific reasons, the exact use of the Company's retained earnings, the expected investment income and other matters. (III) The Board shall carefully study and discuss the timing, conditions, and minimum proportion of cash dividend of the

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Company, conditions for adjustment, and requirements for decision-making procedures, etc. when considering the specific proposal of cash dividend. Independent non-executive directors shall express clear opinions; the Board shall record in detail the advice of the management, key points of the speeches of the directors present at the meeting, opinions of independent non-executive directors, voting results of the Board, etc. and form written minutes to be properly kept as the Company's records.	Company, conditions for adjustment, and requirements for decision-making procedures, etc. when considering the specific proposal of cash dividend. Independent non-executive directors shall express clear opinions; the Board shall record in detail the advice of the management, key points of the speeches of the directors present at the meeting, opinions of independent non-executive directors, voting results of the Board, etc. and form written minutes to be properly kept as the Company's records.
The profit distribution proposal of the Company shall be submitted to the general meeting for consideration only after it has been approved by more than half of all directors and by more than two-thirds of the independent non-executive directors of the Company, and after a special resolution has been formed by the Board of Directors of the Company. In the event that the Company does not make cash dividends due to the circumstances stipulated in this Article, the profit distribution proposal shall be submitted to the general meeting for consideration only after the independent non-executive directors have expressed their opinions and disclosed such opinions.	The profit distribution proposal of the Company shall be submitted to the general meeting for consideration only after it has been approved by more than half of all directors and by more than two-thirds of the independent non-executive directors of the Company, and after a special resolution has been formed by the Board of Directors of the Company. In the event that the Company does not make cash dividends due to the circumstances stipulated in this Article, the profit distribution proposal shall be submitted to the general meeting for consideration only after the independent non-executive directors have expressed their opinions and disclosed such opinions.
(IV) **The Board of Supervisors shall consider the profit distribution proposal prepared or amended by the Board of Directors which shall be approved by at least two-thirds of the Board of Supervisors;** **If the Company makes annual profits but does not propose a cash dividend proposal, the Board of Supervisors shall issue special explanations and**	(IV) The Company shall provide various channels including telephone, fax, e-mail and interactive platform, etc., to communicate and interact with shareholders, listen to their suggestions on the Company's dividends, and opinions of the medium and minority shareholders shall be fully heard, with their concern addressed in a timely manner so as to effectively protect the right of public

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opinions on the implementation of relevant policies and plans. **The Board of Supervisors shall supervise the implementation of the profit distribution proposal and the shareholder return plan.** (V) The Company shall provide various channels including telephone, fax, e-mail and interactive platform, etc., to communicate and interact with shareholders, listen to their suggestions on the Company's dividends, and opinions of the medium and minority shareholders shall be fully heard, with their concern addressed in a timely manner so as to effectively protect the right of public shareholders to participate in the general meetings. In the event that the Company achieves profitability during the reporting period but the Board of Directors does not make a profit distribution proposal in cash, the Board of Directors shall explain the reasons and the independent non-executive Directors shall express an independent opinion in this regard. In addition to on-site meetings, the Company shall provide shareholders with an online voting platform when convening the general meetings for consideration. The profit distribution proposal shall be passed by more than half of the voting rights held by the Shareholders (including their proxies) present at the general meeting. (**VI**) Changes of profit distribution policy of the Company： 1. The profit distribution policy shall not be changed at will, and the Company	shareholders to participate in the general meetings. In the event that the Company achieves profitability during the reporting period but the Board of Directors does not make a profit distribution proposal in cash, the Board of Directors shall explain the reasons and the independent non-executive Directors shall express an independent opinion in this regard. In addition to on-site meetings, the Company shall provide shareholders with an online voting platform when convening the general meetings for consideration. The profit distribution proposal shall be passed by more than half of the voting rights held by the Shareholders (including their proxies) present at the general meeting. (**V**) Changes of profit distribution policy of the Company： 1. The profit distribution policy shall not be changed at will, and the Company shall strictly implement the cash dividend policy stipulated in the Articles of Association and the specific proposal of cash dividend considered and approved at the general meeting. 2. If the production and operation of the Company is seriously affected by war, natural disasters and other force majeure or the changes in external operation conditions of the Company, the Company may change its profit distribution policy. 3. The Board of Directors shall, in the process of

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shall strictly implement the cash dividend policy stipulated in the Articles of Association and the specific proposal of cash dividend considered and approved at the general meeting.	revising the profit distribution policy, take the protection of shareholders' rights and interests as the starting point and fully listen to the opinions of shareholders (especially public shareholders) and independent non-executive directors. In the event that the Board of Directors proposes to adjust or change the profit distribution policy, it shall give detailed arguments and reasons, the independent non-executive directors shall express independent opinions on the proposal to adjust or change the profit distribution policy.
2. If the production and operation of the Company is seriously affected by war, natural disasters and other force majeure or the changes in external operation conditions of the Company, the Company may change its profit distribution policy.	When the Company makes any adjustment to the plan for the use of retained undistributed profits, it shall re-submit the proposal to the Board of Directors and the general meeting for approval, and shall demonstrate and explain in detail the reasons for such adjustment, and the independent non-executive directors shall express their independent opinions in this regard.
3. The Board of Directors shall, in the process of revising the profit distribution policy, take the protection of shareholders' rights and interests as the starting point and fully listen to the opinions of shareholders (especially public shareholders) and independent non-executive directors. In the event that the Board of Directors proposes to adjust or change the profit distribution policy, it shall give detailed arguments and reasons, the independent non-executive directors shall express independent opinions on the proposal to adjust or change the profit distribution policy, **and the Board of Supervisors shall express special opinions on the proposal to adjust or change the profit distribution policy.** When the Company makes any adjustment to the plan for the use of retained undistributed profits, it	4. If it is really necessary to adjust or change the cash dividend policy determined by the Articles of Association, the conditions stipulated in the Articles of Association shall be met, and the Board of Directors must make a special discussion to give detailed justification, and submit a written justification report to the general meeting for consideration with the approval of more than half

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shall re-submit the proposal to the Board of Directors and the general meeting for approval, and shall demonstrate and explain in detail the reasons for such adjustment, and the independent non-executive directors shall express their independent opinions in this regard. 4. If it is really necessary to adjust or change the cash dividend policy determined by the Articles of Association, the conditions stipulated in the Articles of Association shall be met, and the Board of Directors must make a special discussion to give detailed justification, and submit a written justification report to the general meeting for consideration with the approval of more than half of all directors and two-thirds or more of the independent non-executive directors. The report shall be approved by more than two-thirds of the voting rights held by the shareholders present at the general meeting. When the general meeting considers the change to the profit distribution policy, the Company must make Internet voting accessible to the shareholders.	of all directors and two-thirds or more of the independent non-executive directors. The report shall be approved by more than two-thirds of the voting rights held by the shareholders present at the general meeting. When the general meeting considers the change to the profit distribution policy, the Company must make Internet voting accessible to the shareholders.
Article 230 When a resolution is made by the general meeting on the profit distribution proposal, the Board shall complete the dividend (or Share) distribution in two months after the general meeting.	**Article 218 The Company shall complete the dividend (or share) distribution in two months after** a resolution is made by the general meeting **of the Company** on the profit distribution proposal, **or after the Board of the Company formulates a specific plan in accordance with the interim dividend distribution conditions and cap for the**

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	following year approved at the annual general meeting.
Article 234 The Company shall adopt an internal audit system with full time auditors to supervise the internal audits of incomes and expenses as well as the business activities of the Company.	**Article 222 The Company maintains an internal audit system, which specifies the leadership system, responsibilities and authorities, staffing, funding security, use of audit results, and accountability in relation to internal audit work.**
Article 235 The internal audit system of the Company and the duties of auditors shall come into effect upon approval of the Board of Directors. **The person in charge of audits shall be accountable and report to the Board of Directors.**	**Article 223** The internal audit system of the Company and the duties of auditors shall come into effect upon approval of the Board of Directors, **and shall be disclosed to the public.**
-	**Article 224 The Company's internal audit institution shall conduct supervision and inspection on matters such as the business activities, risk management, internal control, and financial information of the Company.**
-	**Article 225 The internal audit institution reports to the Board of Directors.** **During the process of supervising and inspecting the business activities, risk management, internal control, and financial information of the Company, the internal audit institution shall be subject to the supervision and guidance of the audit committee. Where the internal audit institution discovers relevant significant issues or leads, it shall immediately report directly to the audit committee.**
-	**Article 226 The specific organization and implementation work of the Company's internal control evaluation shall be the responsibility of the internal audit institution. The Company shall issue the annual internal control evaluation report based on the evaluation report and related materials issued by the internal audit institution and reviewed by the audit committee.**
-	**Article 227 When the audit committee communicates with external audit units such as accounting firms and audit institutions of the State, the internal audit institution shall**

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	actively cooperate and provide necessary support and collaboration.
-	**Article 228 The audit committee shall participate in the performance assessment of the head of internal audit.**
Article 237 Employing an accounting firm for the Company must be decided by the general meeting. The Board shall not appoint an accounting firm before a general meeting is held, except in circumstances as specified in the Articles of Association.	**Article 230 The appointment** and **removal of** an accounting firm for the Company must be decided by the general meeting. The Board shall not appoint an accounting firm before a general meeting is held, except in circumstances as specified in the Articles of Association.
Article 248 Any notice for convening a meeting of the Board of Supervisors of the Company shall be given by hand, by fax, by mail, or by other means.	***[Deleted]***
Article 255 In the case of a merger, parties to the merger shall execute a merger agreement, and shall prepare the balance sheets and a schedule of assets. The Company shall notify its creditors within a period of 10 days since the date on which the resolution to proceed with the merger is passed and publish announcements on the merger **in newspaper or by other means** within 30 days. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts or to provide a corresponding guarantee.	**Article 247** In the case of a merger, parties to the merger shall execute a merger agreement, and shall prepare the balance sheets and a schedule of assets. The Company shall notify its creditors within a period of 10 days since the date on which the resolution to proceed with the merger is passed and publish announcements on the merger on **qualified media or the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk) of the Hong Kong Stock Exchange** within 30 days. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts or to provide a corresponding guarantee.
Article 256 If the Company is to be divided, its property shall be divided accordingly. For the division of the Company, a balance sheet and a schedule of assets shall be prepared. The Company shall notify its creditors within a period of ten days since the date on which the resolution to proceed with the division is made and publish announcements on the division **in newspaper or by other means** within 30 days.	**Article 248** If the Company is to be divided, its property shall be divided accordingly. For the division of the Company, a balance sheet and a schedule of assets shall be prepared. The Company shall notify its creditors within a period of ten days since the date on which the resolution to proceed with the division is made and publish announcements on the division **on qualified media or the National Enterprise Credit Information Publicity System and the HKEXnews website**

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Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division jointly and severally, except as otherwise stated in the written agreement entered into between creditors and the Company for debt service prior to the division.	**(www.hkexnews.hk) of the Hong Kong Stock Exchange** within 30 days. Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division jointly and severally, except as otherwise stated in the written agreement entered into between creditors and the Company for debt service prior to the division.
-	**Article 250** If the Company still suffers from losses after making up the losses in accordance with the provisions hereof, it may reduce its registered capital to make up the losses. When reducing registered capital to cover losses, the Company shall not distribute assets to shareholders, nor shall it exempt shareholders from the obligation to pay capital contributions or share subscriptions. When reducing the registered capital in accordance with the preceding paragraph, the provisions of the second paragraph of this Article 250 shall not apply, but announcements shall be made on qualified media or the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk) of the Hong Kong Stock Exchange within 30 days from the date when the general meeting passes the resolution to reduce registered capital. After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs of this Article 250, it shall not distribute profits until the cumulative amount of the statutory reserve fund and the discretionary reserve fund reaches fifty percent of the Company's registered capital.
Article 259 For the circumstance in item (I) above, the Company may continue to subsist by amending the Articles of Association. If the Company is dissolved under items (I), (II), and (VI) above, a liquidation committee shall be set up to start liquidation within 15 days from the date of occurrence of the cause for dissolution. The members of such liquidation committee shall be determined by the Board or the general meeting. **If the liquidation committee is not established within the prescribed period, the creditors can submit an application to the People's Court for appointing relevant officers**	**Article 252** For the circumstance in item (I) above, the Company may continue to subsist by amending the Articles of Association. If the Company is dissolved under items (I), (II), and (VI) above, a liquidation committee shall be set up to start liquidation within 15 days from the date of occurrence of the cause for dissolution. The members of such liquidation committee shall be determined by the Board or the general meeting. If the Company is dissolved under item (V) above, relevant competent authorities shall organize the Shareholders, relevant authorities

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to establish the liquidation committee to carry out the liquidation. If the Company is dissolved under item (V) above, relevant competent authorities shall organize the Shareholders, relevant authorities and relevant professionals to form a liquidation committee to carry out liquidation. Where a Company is declared bankrupt according to the law, bankruptcy liquidation shall be conducted in accordance with the law on enterprise bankruptcy.	and relevant professionals to form a liquidation committee to carry out liquidation. Where a Company is declared bankrupt according to the law, bankruptcy liquidation shall be conducted in accordance with the law on enterprise bankruptcy.
Article 261 The liquidation committee shall exercise the following functions and powers during liquidation: (I) thoroughly examining the assets of the Company and preparing a balance sheet and a schedule of assets respectively; (II) notifying the creditors by a notice or public announcement; (III) handling the outstanding business of the Company in connection with liquidation; (IV) repaying all outstanding tax payment and the tax payment which arise in the course of the liquidation process; (V) clearing up claims and debts; (VI) **dealing with** the remaining assets after full payment of the Company's debts; (VII) participating in civil litigation on behalf of the Company.	**Article 254** The liquidation committee shall exercise the following functions and powers during liquidation: (I) thoroughly examining the assets of the Company and preparing a balance sheet and a schedule of assets respectively; (II) notifying the creditors by a notice or public announcement; (III) handling the outstanding business of the Company in connection with liquidation; (IV) repaying all outstanding tax payment and the tax payment which arise in the course of the liquidation process; (V) clearing up claims and debts; (VI) **distributing** the remaining assets after full payment of the Company's debts; (VII) participating in civil litigation on behalf of the Company.
Article 262 The liquidation committee shall notify the creditors within a period of 10 days since the date it is established, and publish the relevant announcements **in newspaper or other means** within 60 days. Creditors shall, within 30 days since the date of receiving the notice, or for creditors who do not receive the notice, within 45 days since the date of the public	**Article 255** The liquidation committee shall notify the creditors within a period of 10 days since the date it is established, and publish the relevant announcements **on qualified media or the National Enterprise Credit Information Publicity System and the HKEXnews website (www.hkexnews.hk) of the Hong Kong Stock Exchange** within 60 days. Creditors shall, within 30 days since the date of receiving the notice, or for creditors who do not receive the notice, within

Before Amendment	After Amendment
announcement, report their creditors' rights to the liquidation committee. When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to the creditor's rights and provide the supporting evidence. The liquidation committee shall register the creditors' rights. In the course of reporting the creditors' rights, the liquidation committee shall not repay the creditors.	45 days since the date of the public announcement, report their creditors' rights to the liquidation committee. When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to the creditor's rights and provide the supporting evidence. The liquidation committee shall register the creditors' rights. In the course of reporting the creditors' rights, the liquidation committee shall not repay the creditors.
Article 270 The Company shall abide by the following principles for dispute resolution: (I) If any dispute or claim arises between a shareholder of overseas listed foreign shares and the Company, or between a shareholder of overseas listed foreign shares and a director, **supervisor**, chief executive officer (CEO) or other senior management officer of the Company, or between a shareholder of overseas listed foreign shares and a shareholder of domestic shares, in connection with the rights and obligations relating to the Company's affairs and as regulated by these Articles of Association, the Company Law or other relevant laws, administrative regulations and departmental rules, the parties concerned shall submit the dispute or claim for arbitration. When a dispute or claim as described above is submitted for arbitration, such dispute or claim shall be in its entirety, and all persons being the Company or shareholders, directors, **supervisors**, chief executive officer (CEO) or other senior management offers of the Company that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall submit to the arbitration.	**Article 263** The Company shall abide by the following principles for dispute resolution: (I) If any dispute or claim arises between a shareholder of overseas listed foreign shares and the Company, or between a shareholder of overseas listed foreign shares and a director, chief executive officer (CEO) or other senior management officer of the Company, or between a shareholder of overseas listed foreign shares and a shareholder of domestic shares, in connection with the rights and obligations relating to the Company's affairs and as regulated by these Articles of Association, the Company Law or other relevant laws, administrative regulations and departmental rules, the parties concerned shall submit the dispute or claim for arbitration. When a dispute or claim as described above is submitted for arbitration, such dispute or claim shall be in its entirety, and all persons being the Company or shareholders, directors, chief executive officer (CEO) or other senior management offers of the Company that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall submit to the arbitration. Disputes concerning the definition of Shareholders and the

Before Amendment	After Amendment
Disputes concerning the definition of Shareholders and the register of Shareholders are not required to be settled by means of arbitration.	register of Shareholders are not required to be settled by means of arbitration.
(II) A dispute or claim submitted for arbitration may be arbitrated, at the option of the arbitration applicant, by either China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or Hong Kong International Arbitration Center in accordance with its securities arbitration rules. After the arbitration applicant has submitted the dispute or claim for arbitration, the other party must participate in the arbitration in the arbitration institution selected by the applicant. If the arbitration applicant opts for arbitration by the Hong Kong International Arbitration Center, either party may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Center;	(II) A dispute or claim submitted for arbitration may be arbitrated, at the option of the arbitration applicant, by either China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or Hong Kong International Arbitration Center in accordance with its securities arbitration rules. After the arbitration applicant has submitted the dispute or claim for arbitration, the other party must participate in the arbitration in the arbitration institution selected by the applicant. If the arbitration applicant opts for arbitration by the Hong Kong International Arbitration Center, either party may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Center;
(III) Unless otherwise prescribed by laws, administrative regulations or departmental rules, the laws of the People's Republic of China shall apply to the settlement by means of arbitration of the disputes or claims referred to in item (I);	(III) Unless otherwise prescribed by laws, administrative regulations or departmental rules, the laws of the People's Republic of China shall apply to the settlement by means of arbitration of the disputes or claims referred to in item (I);
(IV) The award made by the arbitration institution shall be final and binding on all the parties involved;	(IV) The award made by the arbitration institution shall be final and binding on all the parties involved;
(V) The said arbitration agreement is reached between the Directors or Senior management officers and the Company, with the Company representing both itself and each of its Shareholders;	(V) The said arbitration agreement is reached between the Directors or Senior management officers and the Company, with the Company representing both itself and each of its Shareholders;
	(VI) Any arbitration submitted shall be deemed as authorizing the

Before Amendment	After Amendment
(VI) Any arbitration submitted shall be deemed as authorizing the arbitration tribunal to conduct public hearing and announce the arbitration award.	arbitration tribunal to conduct public hearing and announce the arbitration award.
Article 271 Definitions:	**Article 264** Definitions:
(I) Controlling Shareholder shall cover a Shareholder who meets any of the following conditions:	(I) Controlling Shareholder shall cover a Shareholder who meets any of the following conditions:
1. When acting alone or in concert with others, he/she may elect more than half of the Directors;	1. When acting alone or in concert with others, he/she may elect more than half of the Directors;
2. When acting alone or in concert with others, he/she may exercise more than 30% (including 30%) of the voting rights of the Company or may control more than 30% (including 30%) of the voting rights of the Company;	2. When acting alone or in concert with others, he/she may exercise more than 30% (including 30%) of the voting rights of the Company or may control more than 30% (including 30%) of the voting rights of the Company;
3. When acting alone or in concert with others, he/she holds more than 30% (including 30%) of the outstanding shares issued by the Company;	3. When acting alone or in concert with others, he/she holds more than 30% (including 30%) of the outstanding shares issued by the Company;
4. When acting alone or in concert with others, he/she has de facto control over the Company in any other way;	4. When acting alone or in concert with others, he/she has de facto control over the Company in any other way;
5. Circumstances specified in Rule 19A.14 of the Hong Kong Listing Rules.	5. Circumstances specified in Rule 19A.14 of the Hong Kong Listing Rules.
(II) Actual controller means a person who, although not a shareholder of the Company, is able, through investment relationships, agreements or other arrangements, to actually control the conduct of the Company.	(II) Actual controller means a person who, although not a shareholder of the Company, is able, through investment relationships, agreements or other arrangements, to actually control the conduct of the Company.
(III) Affiliation refers to the relationship between the	(III) Affiliation refers to the relationship between the

Before Amendment	After Amendment
controlling shareholders, actual controllers, directors, **supervisors,** and senior management officers of the Company and the enterprise directly or indirectly controlled by the Company, and other relationships that may lead to the transfer of interests of the Company, provided that the state-controlled enterprises are not affiliated because they are controlled by the state.	controlling shareholders, actual controllers, directors and senior management officers of the Company and the enterprise directly or indirectly controlled by the Company, and other relationships that may lead to the transfer of interests of the Company, provided that the state-controlled enterprises are not affiliated because they are controlled by the state.

The proposed amendments to the Rules of Procedures for the General Meeting are as follows:

Chapter 1 General Provisions

Article 1 The Rules have been formulated based on the actual situation of the Company to further clarify the functions and powers of the general meeting of shareholders (the "**general meeting**") of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Company**"), ensure the standardized operation of the general meeting of the Company, safeguard the legitimate rights and interests of the Company and its shareholders, and ensure the equal and effective exercise of rights by shareholders in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, the Guidelines for the Articles of Association of Listed Companies, the Guidelines for Corporate Governance of Listed Companies, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Guidance No. 1 of Shenzhen Stock Exchange on Self-regulation by Listed Companies – the Standardized Operation of Listed Companies on the Main Board, ~~the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises, the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han [1995] No.1)~~, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("**Hong Kong Listing Rules**") and other relevant laws, regulations, rules, normative documents and the provisions of the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Articles of Association**").

Article 2 As of its effective date, the Rules shall become a legally binding normative document for the Company, all shareholders of the Company, shareholders' agents, Directors, ~~Supervisors,~~ Chief Executive Officer (CEO) and other senior management officers and other relevant personnel attending the general meeting.

Article 3 The general meeting shall be composed of all shareholders of the Company. The Company shall convene a general meeting in strict accordance with laws, regulations, rules, normative documents, listing rules of the stock exchange(s) where the Company's shares are listed, the Articles of Association, and relevant provisions of the Rules, to ensure that shareholders, especially public shareholders, can exercise their rights in accordance with law.

The Board of the Company shall earnestly perform its duties and organize the general meetings in a serious and timely manner. The Directors of the Company as a whole shall be diligent and responsible to ensure the normal convening of a general meeting and the legitimate exercise of its functions and powers. The Board Secretary of the Company shall be responsible for the convening of the general meeting, the agenda and minutes of the meeting and other routine matters.

Chapter 2 General Provisions for General Meetings

Article 4 The general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to law:

(I) To decide on the business operation guideline and investment plan for the Company;

(II) To elect and replace Directors ~~and Supervisors~~ who are not employee representatives and to decide on matters relating to the remuneration of the Directors and Supervisors;

(III) To examine and approve reports of the Board of Directors;

~~(IV) To examine and approve the reports of the Board of Supervisors;~~

(IV) ~~(V)~~ To examine and approve the annual financial budgets and final accounting plans of the Company;

(V) ~~(VI)~~ To examine and approve the Company's profit distribution plan and loss recovery plan;

(VI) ~~(VII)~~ To resolve on the increase or reduction of the registered capital of the Company;

(VII) ~~(VIII)~~ To resolve on the issuance of corporate bonds or other securities and public listing;

(VIII) ~~(IX)~~ To resolve on matters such as the merger, division, dissolution, liquidation or transformation of the Company;

(IX) ~~(X)~~ To amend the Articles of Association;

(X) ~~(XI)~~ To resolve on the appointment, removal or non-renewal of engagement of accounting firms by the Company;

(XI) ~~(XII)~~ To examine proposals made by shareholders severally or jointly representing more than 1~~3~~% of the shares with voting rights of the Company;

(XII) ~~(XIII)~~ To examine and approve the major transactions specified in Article 5 of the Rules;

(XIII) ~~(XIV)~~ To examine and approve the guarantee matters specified in Article 6 of the Rules;

(XIV) ~~(XV)~~ To examine and approve the financial assistance matters specified in Article 7 of the Rules;

(XV) ~~(XVI)~~ Transactions between the Company and related persons with a transaction amount of more than RMB30 million and accounting for more than 5% of the absolute value of the Company's latest audited net assets (except those guaranteed or financed by the Company);

(XVI) ~~(XVII)~~ To examine and approve changes in the use of proceeds;

(XVII) ~~(XVIII)~~ To examine the equity incentive plan;

(XVIII) ~~(XIX)~~ To examine the matters relating to the Company's purchase or sale of major assets, investments, guarantees (mortgage, pledge or guarantee, etc.) within one year, where the amount exceeds 30% of the Company's latest audited total assets;

(XIX) ~~(XX)~~ To examine all transactions (including one-off transactions and series of transactions that require aggregation of percentage ratios) and connected transactions (including one-off transactions and series of transactions that require aggregation of percentage ratios) in which the Company's percentage ratios calculated in accordance with the percentage ratios requirements under Rule 14.07 of the Hong Kong Listing Rules are not less than 25% and not less than 5%, respectively;

(XX) ~~(XXI)~~ To examine other matters that shall be decided by the general meeting as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

The aforesaid functions and powers of the general meeting shall not be exercised by the Board, other organizations or individuals through authorization.

Article 5 The transactions of the Company (except those guaranteed or financed by the Company) meeting one of the following standards shall be considered by the general meeting after being disclosed in time in accordance with relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed and considered and approved by the Board:

(I) The total assets involved in the transaction account for more than 50% of the Company's latest audited total assets. Where the total assets involved in the transaction have both book value and appraised value, the higher one shall be taken for calculation;

(II) The net assets involved in the transaction subject (such as equity) account for more than 50% of the Company's latest audited net assets, with the absolute amount exceeding RMB50 million; and where the net assets involved in the transaction have both book value and appraised value, the higher one shall prevail;

(III) The operating revenue of the transaction subject (such as equity) for the latest fiscal year accounts for more than 50% of the Company's audited operating revenue of that year, with an absolute amount exceeding RMB50 million;

(IV) The net profit of the transaction subject (such as equity) for the latest fiscal year accounts for more than 50% of the Company's audited net profit of that year, with an absolute amount exceeding RMB5 million;

(V) The transaction amount of the transaction (including the debt and expenses) accounts for more than 50% of the Company's latest audited net assets, with an absolute amount exceeding RMB50 million;

(VI) The profit from the transaction accounts for more than 50% of the Company's audited net profit for the latest fiscal year, with an absolute amount exceeding RMB5 million;

(VII) Other transactions that shall be submitted to the general meeting for consideration in accordance with relevant laws, regulations and securities regulatory rules of the place where the Company's shares are listed.

In case the figure involved in the above index calculation is negative, absolute value thereof shall be taken for calculation.

Article 6 The following external guarantees by the Company shall be considered and approved by the general meeting after being considered and approved by the Board:

(I) any single guarantee with its amount exceeding 10% the Company's latest audited net assets;

(II) any guarantee provided after the total amount of the external guarantees provided by the Company and its majority owned subsidiaries exceeds 50% of the Company's latest audited net assets;

(III) any guarantee provided after the total amount of the external guarantees provided by the Company and its majority owned subsidiaries exceeds 30% of the Company's latest audited total assets;

(IV) the latest financial statement data of the guaranteed party shows that the asset-liability ratio exceeds 70% ;

(V) any guarantee whose the accumulative amount exceeds 30% of the Company's latest audited total assets within the latest 12 months;

(VI) any guarantee provided to shareholders, actual controllers and their related persons; and

(VII) other guarantee circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the proposal for providing guarantees to shareholders, actual controllers and their related parties is reviewed by the general meeting, such shareholders or shareholders controlled by actual controllers shall not participate in the voting, and this proposal shall be adopted by ~~the majority~~ more than half of majority the votes of other shareholders present at the meeting.

The term "external guarantees" or "guarantee matters" as used in this Article refers to the guarantees provided by the Company for others, including the Company's guarantees for its holding subsidiaries.

Article 7 The provision of financial assistance by the Company falling under any of the following circumstances shall be considered and approved by the general meeting after being considered and approved by the Board:

(I) any single financial assistance with its amount exceeding 10% the Company's latest audited net assets;

(II) the latest financial statement data of the assisted object shows that the asset-liability ratio exceeds 70%;

(III) any financial assistance whose accumulative amount exceeds 10% of the Company's latest audited net assets within the latest 12 months; and

(IV) other circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Where the Company provides financial assistance to a holding subsidiary within the scope of the consolidated statement of the Company with a shareholding ratio of more than 50%, and the other shareholders of the holding subsidiary do not include the controlling shareholders or the actual controllers of the Company and their associates, it may be exempted from complying with the provisions of the preceding paragraph.

Article 8 General meetings shall be classified into annual general meetings (AGMs) and extraordinary general meetings (EGMs).

The AGM shall be convened once a year and within six months after the prior fiscal year ends.

The EGM shall be convened from time to time. The Company shall convene an EGM within 2 months of the occurrence of any of the following circumstances:

(I) when the number of Directors is below ~~5~~ 3as specified in the Company Law or two-thirds of the number required by the Articles of Association;

(II) the uncovered loss of the Company reaches one-third of the total paid-in share capital of the Company;

(III) upon written requests by shareholders individually or collectively holding more than 10% of the Company's shares with voting rights;

(IV) when the Board considers it necessary;

(V) ~~the Board of Supervisors~~ the Audit Committee proposes for such a meeting; and

(VI) other circumstances required by the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The number of shares in item (III) above shall be calculated in accordance with the shares of the Company held on the day on which the written request is made by the shareholders.

Article 9 Where the Company cannot hold the general meeting within the time limit prescribed in the preceding article, the Company shall report to the local branch of the securities regulatory body under the State Council and the stock exchange(s) where the Company's shares are listed, explaining and announcing the reasons.

Article 10 When convening a general meeting, the Company shall engage lawyers to provide legal opinions on the following issues and make an announcement in accordance with the requirements of the securities regulatory rules of the place where the Company's shares are listed:

(I) whether the convening and holding procedures of the general meeting comply with the relevant laws, administrative regulations, departmental rules, and the Articles of Association;

(II) whether the persons attending the meeting and the convener of the meeting are legally entitled to do so;

(III) whether the procedures of voting at the general meeting and the voting results are valid; and

(IV) legal opinions on other issues upon the request of the Company.

Chapter 3 Convening of General Meeting

Article 11 General meetings shall be convened by the Board according to law. The Board shall convene the general meeting within the time limit specified in Article 7 of the Rules.

If the Board cannot or fails to perform the duty of convening a general meeting, the Audit Committee ~~the Board of Supervisors s~~hall duly convene and preside over such meeting; if even the Audit Committee ~~Board of Supervisors~~ cannot or fails to convene or preside over a general meeting, the shareholders individually or jointly holding more than 10% of the Company's shares for more than 90 consecutive days may by themselves convene and preside over a general meeting.

Article 12 With the consent of more than half of all independent non-executive directors, **a**~~A~~An EGM may be convened upon proposal by independent non-executive Directors to the Board. Regarding the proposal of the independent non-executive Directors to convene an EGM, the Board shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, give a written reply on whether or not to convene the EGM within 10 days after receipt of the written proposal.

Where the Board agrees to convene the EGM, it shall issue a notice of such meeting within 5 days after the resolution is made by the Board. Where the Board does not agree to convene the EGM, it shall give the reasons and make an announcement in respect thereof.

Article 13 The Audit Committee ~~The Board of Supervisors~~ shall be entitled to propose to the Board to convene an EGM. Regarding the proposal of the Audit Committee ~~Board of Supervisors~~ to convene an EGM, the Board shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, give a written reply on whether or not to convene the EGM or class meetings within 10 days after receipt of the written proposal.

Where the Board agrees to convene the EGM, it shall issue a notice of such meeting within 5 days after the resolution is made by the Board. Any change to the original proposal set forth in the notice shall be subject to approval by the Board of Supervisors.

If the Board does not agree to convene the EGM or fails to give a written reply within 10 days after receipt of the proposal, the Board shall be deemed to be unable to or fail to perform the duty of convening the general meeting, and the Audit Committee ~~Board of Supervisors~~ may convene and preside over the meeting by itself.

Article 14 When a shareholder requests to convene an EGM or a class meeting, the following procedures shall be followed:

(I) The shareholders who individually or jointly hold more than 10% of the shares with voting rights of the Company (including the Preferred Shares with voting rights restored, etc.) shall have the right to request the Board to convene an EGM or a class meeting, and shall make such request to the Board in writing, and state the subject of the meeting. Regarding the request of the shareholders to convene an EGM, the Board shall, pursuant to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, give a written reply on whether or not to convene the EGM or the class meeting within 10 days after receipt of the written request.

(II) Where the Board agrees to convene an EGM or a class meeting, it shall issue a notice of such meeting within 5 days after the resolution is made by the Board. Changes to the original request in the notice shall be subject to the approval of relevant shareholders. Where the laws, administrative regulations, departmental rules and securities regulatory rules of the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

(III) Where the Board does not agree to hold the EGM or the class meeting or fails to give a reply within 10 days after receipt of the request, shareholder(s) individually or collectively holding more than 10% shares with voting rights of the Company (including the Preferred Shares with voting rights restoration, etc.)at the proposed meeting shall be entitled to request the Audit Committee ~~Board of Supervisors~~ to convene an EGM or a class meeting in writing.

(IV) If the Board of Supervisors agrees to convene an EGM or a class meeting, it shall issue a notice of such meeting within 5 days after receipt of such request. Any change to the original proposal set forth in the notice shall be approved by the relevant shareholders.

In case of failure to issue the notice of the general meeting or the class meeting within the term stipulated, the Audit Committee ~~Board of Supervisors~~ shall be deemed to fail to convene and preside over the general meeting or the class meeting. As a result of its failure to do so for more than 90 consecutive days, shareholder(s) severally or jointly holding more than 10% of the Company's shares with voting rights (including the Preferred shares with voting rights restoration, etc.) at the intended meeting may convene and preside over such meeting by himself/themselves.

Article 15 Where the Audit Committee ~~Board of Supervisors~~ or shareholder(s) decide(s) to convene a general meeting by itself/themselves, it/they shall notify the Board in writing and file with the local branch of the securities regulatory body under the State Council and the stock exchange(s) where the Company's shares are listed at the same time.

Before the announcement of the resolution of the general meeting, the shareholding ratio of convening shareholders shall not be less than 10% (including the Preferred shares with voting rights restoration, etc.).

When the Audit Committee ~~Board of Supervisors~~ and the convening shareholders decide to send a notice of the general meeting and publish the announcement of the resolution of the general meeting, they shall also submit the relevant certification materials to the local branch of the securities regulatory body under the State Council and the stock exchange(s) where the Company's shares are listed at the same time.

Article 16 With regard to the general meeting convened by the Audit Committee ~~Board of Supervisors~~ or shareholders on its/their own initiative, the Board and the Board Secretary shall offer cooperation, and perform the information disclosure obligations in time. The Board shall provide a shareholders' register on the equity registration date. Where the Board fails to provide the shareholders' register, the convener may apply to the securities depository and clearing institution to obtain it upon presentation of the announcement relating to the notice of the general meeting. The shareholders' register obtained by the convener shall not be used for other purposes except for the general meeting.

Article 17 Where the Audit Committee ~~Board of Supervisors~~ or shareholder(s) convene(s) the general meeting or class meeting, the expenses incurred therefrom shall be borne by the Company, and deducted from the payment due to the defaulting Directors.

Chapter 4 Proposals and Notice of General Meetings

Article 18 The proposals of general meetings shall satisfy the following criteria:

(I) The contents shall not conflict with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the provisions of the Articles of Association, and shall fall within the scope of authority of the general meeting;

(II) shall have definite topics and specific issues for resolution; and

(III) shall be submitted to or served on the convener in writing.

Article 19 Where the Company convenes a general meeting, the Board, the Audit Committee ~~Board of Supervisors~~, and shareholder(s) severally or jointly holding more than ~~3~~1% shares of the Company (including the Preferred Shares with voting rights restoration, etc.) may make proposals to the Company.

Shareholder(s) severally or jointly holding more than 1 ~~3~~% shares of the Company may submit written provisional proposals to the convener 10 days before a general meeting is convened. Where the proposal meets the requirements of Article 18 of the Rules, the convener shall, within 2 days after the receipt of the proposal, issue a supplementary notice to the general meeting of the contents of the provisional proposal and submit such provisional proposal to the general meeting for deliberation, unless the provisional proposal violates laws, administrative regulations, or the provisions of the Articles of Association of the Company, or falls outside the scope of authority of the general meeting. Regarding the publication of the supplementary notice for the general meeting, if the securities regulatory rules of the stock exchanges where the Company's shares are listed have special requirements, such requirements shall be followed, provided that they do not violate the Company Law, the Guidelines for the Articles of Association of the listed companies, or other applicable laws and regulations of China. If, in accordance with the securities regulatory rules of the stock exchanges where the Company's shares are listed, the general meeting must be postponed due to the publication of a supplementary notice, the convening of the general meeting shall be postponed as required by such securities regulatory rules.

Save as specified above, the convener shall not change the proposal set out in the notice of general meeting or add any new proposals after the said notice is issued.

The proposal(s) that has/have not been set out in the notice of the general meeting or that is/are not in compliance with Article 18 of the Rules shall not be voted or resolved on at the general meeting.

Article 20 When the Company convenes an AGM, the shareholders shall be notified of the time and place of the meeting and the matters under consideration in writing 21 days before the date of the meeting. For an EGM, the shareholders shall be notified in writing 15 days before the date of the meeting. ~~The "working days" mentioned in the Rules shall be the legal working days published by the government of Hong Kong.~~

The duration shall not include the date on which the meeting is convened.

Article 21 The notice of the general meeting shall meet the following requirements:

(I) be made in writing;

(II) specifying the date, place and duration of the meeting;

(III) stating the matters and proposals to be reviewed at the meeting;

(IV) providing the shareholders with the information and explanations necessary for them to make informed decision on the matters discussed; this principle includes (but is not limited to) the requirement that when the Company proposes to make merger, repurchase shares, make capital restructuring or other reform, it shall provide the specific conditions and contracts (if any) of the proposed transaction, and make detailed explanation on the causes and consequences;

(V) If any Director, ~~Supervisor~~, CEO or other senior management officers has/have material interest in the matters to be discussed, the nature and extent of the interest shall be disclosed; if the influence of the matters to be discussed on the relevant Director, ~~Supervisor~~, CEO or other senior management officers as shareholders is different from the influence on other shareholders of the same class, the relevant difference shall be specified;

(VI) containing the full text of the special resolutions proposed to be adopted at the meeting;

(VII) containing a statement explicitly stating that all shareholders are entitled to participate in the general meeting and they may appoint in writing one or more shareholder proxies to attend and vote at such meeting on their behalves and such proxy(ies) need not be the shareholder(s) of the Company;

(VIII) specifying the delivery time and place of the power of attorney for voting;

(IX) specifying the name and phone number of the resident contact person for the meeting; ~~and~~

(X) specifying the record date for the shareholders who are entitled to attend the general meeting; and

(XI) The voting period and procedures for casting votes via online platforms or other means shall be specified in accordance with applicable rules and the notice of the meeting.

The notice and the supplementary notice of the general meeting shall fully and completely disclose all the specific contents of all proposals, and all the materials or explanations necessary for the shareholders to make reasonable judgments on the matters to be discussed. If the matters to be discussed require opinions from independent non-executive Directors, the opinions and reasons of independent non-executive Directors will be disclosed at the time when the notice of the general meeting or the supplementary notice is issued.

If the general meeting adopts the online or other forms, the voting time and voting procedures for the online meeting or other forms of meeting shall be specified in the notice of the general meeting. The voting time for the online voting or other voting forms of the general meeting shall not be earlier than 3:00 p.m. on the day before the on-site general meeting and shall not be later than 9:30 a.m. on the day of the on-site general meeting, and shall not conclude earlier than 3:00 p.m. on the day of the on-site general meeting.

The interval between the record date and the date of the meeting shall be no more than seven working days. Once the record date is confirmed, it shall not be changed.

Article 22 When the general meeting intends to discuss the election of directors ~~and supervisors~~, the notice of the general meeting shall fully disclose the details of the candidates for directors ~~and supervisors~~, including, as a minimum, the following contents:

(I) whether there is any circumstance prohibiting the nomination as a director; and whether any individual satisfies the eligibility criteria under applicable laws, regulations, rules, regulatory requirements of the listing jurisdiction, and the Company's Articles of Association;

(II)~~(I)~~ personal particulars such as education background, working experience and concurrent positions;

(III)~~(II)~~ whether there is any connected relationship with the Company or the controlling shareholders, substantial shareholders, de factor controller and other directors~~, supervisors~~ and senior management officers of the Company thereof;

(IV)~~(III)~~ disclosure of the number of shares held in the Company;

(V)~~(IV)~~ any penalties imposed by the securities regulatory authorities of the State Council and other relevant authorities and punishments by the stock exchanges; and

(VI)~~(V)~~ information required to be disclosed under the Hong Kong Listing Rules relating to the appointment, re-election or transfer of directors ~~or supervisors~~.

Save for the directors ~~and supervisors~~ who are elected by way of cumulative voting system, a single proposal shall be put forward for each candidate for directors ~~and supervisors~~.

Article 23 Unless otherwise specified by the relevant laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the shares of the Company are listed or the Articles of Association, the notice of the general meeting be delivered to the shareholder (whether he/she has voting rights at the general meeting or not) by sending to the address of the shareholder listed in the register of shareholders via personal delivery or prepaid mail. For the holders of domestic listed domestic shares, the notice of the general meeting may also be sent via an announcement.

The aforesaid announcement shall be published on one or several newspapers designated by the securities regulatory authorities under the State Council. Once the announcement is made, it is deemed that all the holders of domestic listed domestic shares have received the notice of the relevant general meeting.

For the holders of H Shares, the Company may also give a notice of the general meeting by posting on the Company's website and the website designated by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or by such other means as may be permitted under the Hong Kong Listing Rules and the Articles of Association, in lieu of personal delivery or prepaid mail to holders of H Shares, subject to the compliance with laws, administrative regulations and listing rules of the stock exchange(s) where the Company's shares are listed and the performance of the relevant procedures.

After the notice of the general meeting is issued, such meeting shall not be postponed or cancelled without any proper reason nor shall any proposal listed in the notice be removed. In the event of a delay or cancellation, the convener ~~shall specify the reason in writing at least 2 working days before the scheduled date of convenin~~ must disclose and justify the decision in compliance with applicable laws, regulations, and the securities rules of the listing jurisdiction. In case of a postponement, the new meeting date shall be stated in the notice. Where the listing jurisdiction's securities regulations specify special procedures for postponing or canceling a general meeting, such provisions shall apply unless they contravene with domestic regulatory requirements.

Article 24 The meeting and the resolution of the meeting shall not be null and void if the notice of the meeting fails to be delivered to or received by any person entitled to the notice due to accidental omission.

Chapter 5 Convening of the General Meeting

Article 25 The general meeting shall be convened at the domicile of the Company or any other site indicated in the notice of the general meeting.

Article 26 A meeting venue shall be established for the general meeting, and meetings will take the form of on-site meeting. The Company may facilitate shareholders in the general meeting by making the Internet, telephone or other means available. Shareholders who participate in the general meeting in the aforesaid manner shall be deemed to be present.

Article 27 All ordinary shareholders (including preferred shareholders with the resumed voting right) recorded in the register as at the record date or their proxies shall have the right to attend the general meeting and exercise the voting rights in accordance with the provisions of laws, administrative regulations, department rules and the regulatory rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 28 Any shareholder entitled to attend and vote at the general meeting may attend and vote personally or by appointing one or more persons (who is/are not necessary to be a shareholder(s)) as his proxy(ies) to attend the meeting by proxy and exercise the voting right to the extent of authorization. The proxy(ies) may, as authorized by the shareholder, exercise the following rights:

(I) the right of the shareholder to speak at the general meeting;

(II) the right to request to vote by poll separately or jointly with others; and

(III) the right to vote by show of hands or by poll, unless otherwise specified by the applicable securities listing rules or other securities laws and regulations. Nevertheless, when more than one proxy is appointed, such shareholder's proxies can only exercise the voting right by poll.

If the shareholder is a recognized clearing house (or its proxy) as defined in the relevant laws and ordinances of the place where the Company's shares are listed, the shareholder may authorize one or more persons as it thinks fit to act as its representative(s) at any general meeting or any class meeting. However, if more than one person is authorized, the power of attorney shall state the number and type of shares in respect of which each such person is authorized and shall be signed by the authorized officer of the recognized clearing house. A person so authorized may attend a meeting on behalf of a recognized clearing house (or its proxy) and exercise rights as if he/she were an individual shareholder of the Company without the need to produce a certificate of shareholding, notarized power of attorney and/or further evidence of formal authorization.

Article 29 When the individual shareholder attends the general meeting in person, he/she shall present his/her identity card or other valid documents or certificates that can prove his/her identity; if a proxy is appointed to attend the meeting, such proxy shall present his/her valid identity card and the power of attorney of the relevant shareholder.

Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. The legal representative attending the meeting shall present his/her identity card and valid certificate evidencing his/her capacity as a legal representative; if a proxy is appointed to attend the meeting, such proxy shall present his/her identity card and a written power of attorney duly issued by the legal representative of the corporate shareholder.

When the Company adopts the online voting for the general meeting, an investor who is identified through the online voting system of the general meeting can confirm his/her lawful effective shareholder's identity and shall have the lawful and effective voting right.

Article 30 A shareholder shall appoint a proxy in writing, and the power of attorney issued by the shareholder to appoint a proxy to attend the general meeting shall contain the following information:

(I) name of the ~~proxy~~ agent, and class and number of shares held in the Company;

(II) ~~whether the proxy has the voting right~~ name of agent;

(III) ~~separate~~ specific instructions of shareholders, including ~~as to~~ whether to cast favor, negative or abstention votes on each review issue for consideration listed on the agenda of the general meeting;

(IV) the issuing date and validity period of the power of attorney; and

(V) the signature of the principal or the proxy he/she entrusts in writing. If the principal is a legal person, the power of attorney shall be stamped with the name of the legal person or signed by its director or duly appointed proxy.

Any power of attorney issued by the Board of Directors to the shareholders to appoint proxies shall be in such form that allows the shareholders to freely instruct the proxies to vote for or against or abstain from any proposal, and to provide separate instructions for each matter that needs to be decided on. The power of attorney shall specify that in the absence of specific instructions from the shareholders, the proxies may vote as they think fit.

Article 31 If the power of attorney for proxy voting is signed by another person authorized by the principal, the power of attorney or other documents authorizing the signature shall be notarized. The notarized power of attorney or other authorization documents shall be deposited together with the power of attorney for voting at the domicile of the Company or such other places as designated in the notice of the meeting before the relevant meeting is held or within the time given by the Company, to the extent that such documents do not violate the relevant laws, regulations and regulatory rules of the place where the Company's shares are listed.

~~If the principal is a legal person, its legal representative or the person authorized by the Board of Directors or other decision-making authorities shall attend the general meeting of the Company on their behalves.~~

Article 32 A vote given by a proxy in accordance with the power of attorney shall be valid notwithstanding the death or loss of capacity of the principal or revocation of the proxy or power of attorney under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such events has been received by the Company before the commencement of the meeting.

Article 33 The register of the persons attending the meeting shall be prepared by the Company. The register shall set out the names of the persons attending the meeting (or names of the entities they are from), their ID numbers, residential addresses, numbers of shares held or representing voting rights and names of the proxies (or names of the entities they are from).

Article 34 The convener and the lawyer engaged by the Company shall jointly verify the legality qualification of the shareholders according to the register of shareholders provided by the securities depository and clearing institution, and register the name of each shareholder and the number of shares with voting rights he/she holds. The meeting registration shall be terminated by the time the chairman of the meeting announces the number of shareholders and proxies present in person at the meeting as well as the total number of shares with voting rights they hold.

Article 35 ~~When t~~ The general meeting requires ~~is held, all~~ the directors~~, supervisors and the Board Secretary of the Company shall attend the meeting, while the Chief Executive Officer (CEO)~~ and ~~other~~ senior management officers shall attend ~~as a nonvoting delegate~~ and be questioned by the shareholders.

Article 36 The general meeting is presided over by the Chairman of the Board of Directors. If the Chairman of the Board of Directors is unable or fails to perform his/her duty, a director jointly elected by more than half of the directors shall preside over the meeting.

A general meeting convened by the Audit Committee ~~Board of Supervisors~~ shall be presided over by the chairman of the Audit Committee ~~Board of Supervisors~~. If the chairman of the Audit Committee ~~Board of Supervisors~~ is unable or fails to perform his/her duty, a member of Audit Committee s~~upervisor~~ jointly elected by more than half of the Audit Committee ~~supervisors~~ shall preside over the meeting.

If a general meeting is convened by the shareholders, the convener or his/her designated representative shall elect a representative to preside over the meeting. If the convener is unable to elect the chairman of the meeting for any reason, the shareholder (including his/her proxy) present who holds the greatest number of shares with voting rights among the conveners shall serve as the chairman of the meeting.

When a general meeting is held, if the chairman of the meeting violates the Articles of Association or these Rules, making continuance of the meeting impossible, with the consent of the shareholders holding more than half of the voting rights present at the meeting, the general meeting may elect a person to serve as chairman of the meeting and the meeting shall continue.

Article 37 At the Annual general meeting, the Board of Directors ~~and the Board of Supervisors~~ shall report their work over the past year to the general meeting, and each independent non-executive director shall also report on his or her duty performance.

Article 38 A shareholder attending the general meeting shall have the right to speak according to laws.

Shareholders who request to speak at the general meeting shall obtain the permission of the moderator of the general meeting and speak in the order in which he/she requests to speak (where the shareholders request at the same time, in the order in which the shareholder or the shareholder's proxy holds the number of shares or the number of proxy shares).

When a shareholder requests to speak, he/she shall not interrupt the report of the meeting reporter or the speech of other shareholders. When giving a speech, the shareholder shall first report the classes and quantities of shares he/she holds and present the valid certificate to the moderator of the meeting. The length and frequency of shareholders' speech shall be determined by the chairman of the meeting according to the specific situation.

Where a shareholder speaks in violation of the aforesaid procedure, the chairman of the general meeting shall have the right to reject or stop his/her speech.

Article 39 A shareholder attending the general meeting shall have the right to question the agenda or proposals.

The chairman of the general meeting shall answer the questions raised by the shareholder or instruct the relevant person in charge to answer the same.

In any of the following circumstances, the chairman of the general meeting can refuse to answer the questions but shall specify reasons to the shareholder raising the questions:

(I) the queries are not related to the proposals;

(II) the affair under query is to be investigated;

(III) an answer to such queries will divulge business secrets of the Company or obviously jeopardize the common interests of the Company or the shareholders; and

(IV) other important affairs.

Article 40 The directors, ~~supervisors~~ and senior executives shall provide explanations and statements relating to the queries put forward by the shareholders at the general meeting.

Article 41 The chairman of the meeting shall declare the number of shareholders and proxies present and the total number of shares with voting rights they hold before voting. To determine the number of shareholders and proxies present and the total number of shares with voting rights they hold, the meeting register shall prevail.

Article 42 Any person attending the general meeting shall seriously perform his/her legitimate obligations, not infringe on the rights and interests of other persons and not disturb the normal procedure or order of the meeting.

Article 43 The chairman of the general meeting may require the following persons to exit:

(I) having no qualification to attend the meeting;

(II) disturbing the meeting order on purpose;

(III) dressing informally and harming morals; and

(IV) carrying hazardous goods or animals.

If the person stated in the preceding paragraph refuses to observe the order of exit, the chairman of the general meeting can order the staff to force the person to withdraw from the meeting, and request the public security organ to assist when necessary.

Article 44 The Board of Directors and other conveners shall take necessary measures to ensure the proper order of the general meeting. Any act that interferes with the general meeting, stirs up troubles or infringes upon the shareholders' legitimate rights and interests shall be stopped by measures and promptly reported to the relevant departments for investigation.

Chapter 6 Voting and Resolutions of the General Meeting

Article 45 The resolutions of a general meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions of a general meeting shall be adopted by more than half of the voting rights held by the shareholders (including their proxies) present at the meeting.

Special resolutions of a general meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including their proxies) present at the meeting.

Article 46 The following matters shall be resolved by way of ordinary resolution of the general meeting:

(I) work reports of the Board of Directors and the Board of Supervisors;

(II) the profit distribution plan and loss recovery plan of the Company;

(III) appointment, dismissal and remuneration of the members of the Board of Directors and the Board of Supervisors and the method of payment of the remuneration;

~~(IV) annual financial budgetary plans, final accounting plans, balance sheets, income statements, and other financial statements of the Company;~~

~~(V) the annual report of the Company;~~

(IV) ~~(VI)~~ the appointment or dismissal of accounting firms; and

(V)~~(VII)~~ matters other than those required by the laws, administrative regulations, securities regulation rules of the place where the Company's shares are listed or the Articles of Association to be passed by special resolutions.

Article 47 The following matters shall be resolved by way of special resolution of the general meeting:

(I) increase or decrease of the Company's registered capital;

(II) issuance of any type of securities, warrants and other similar securities by the Company;

(III) issuance of corporate bonds;

(IV) division, merger, dissolution and liquidation or change of organizational form of the Company;

(V) amendment to the Articles of Association;

(VI) equity incentive scheme and Employee Stock Ownership Plan (ESOP);

(VII) purchase and disposal of material assets by the Company within one year, or a guarantee amount exceeding 30% of the audited total assets in the most recent period of the Company; and

(VIII) other matters which are required by laws, administrative regulations, securities regulation rules of the place where the Company's Shares are listed or the Articles of Association, and other matters which, according to an ordinary resolution of the general meeting, may have a significant impact on the Company and shall be adopted by way of special resolution.

Article 48 Unless the Company is in danger or under other special circumstances, the Company shall not, without the approval of the general meeting by way of special resolution, make and enter into contracts with persons other than the directors or senior management officers, granting such persons the responsibility for managing all or part of the Company's material business.

Article 49 Shareholders (including proxies) shall exercise their voting rights by the number of shares with voting rights they represent, and each share shall have one vote.

When the related party transactions are considered at the general meeting, the connected shareholders shall not participate in voting, and the number of shares with voting rights represented by them shall not be counted into the total number of valid votes. The voting particulars of the non-connected shareholders shall be disclosed in the announcement on the resolution of the general meeting.

When the general meeting reviews relevant related party transactions, the Board of Directors of the Company shall remind the connected shareholder to abstain from the voting before the shareholders vote, and the connected shareholder shall take the initiative to declare the related party relationship to the general meeting and abstain from the voting. If the Board of Directors fails to remind and the shareholder does not take the initiative to abstain, other shareholders may request him/her to explain the situation and abstain. The convener shall, in accordance with related provisions, determine whether the shareholder is a connected shareholder and whether the shareholder shall abstain.

The connected shareholder who shall abstain may participate in the discussion of the related party transaction involving the shareholder, and may make explanations and statements to the general meeting on the matters such as the reasons for such related party transactions, the basic situation thereof, and whether such transactions are legal and fair.

When material issues affecting the interests of small and medium-sized investors are considered at the general meeting, the votes of small and medium-sized investors shall be counted separately. The results of separate vote counting shall be disclosed publicly in a timely manner according to relevant laws, regulations, and listing rules of the stock exchange(s) where the Company's Shares are listed.

Material matters affecting the interests of small and medium-sized investors as defined in the preceding paragraph refer to the affairs on which the independent non-executive directors shall express independent opinions, and the small and medium-sized investors said above refer to the shareholders other than the Company's directors, ~~supervisors~~ and senior management officers and shareholder(s) severally or jointly holding more than 5% shares of the Company.

The shares held by the Company have no voting rights or are not included in the total number of shares with voting rights held by shareholders present at the general meeting.

Where a shareholder's purchase of the Company's shares with voting rights violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion shall not be exercised within 36 months after the purchase, and such shares shall not be included in the total number of shares with voting rights of the shareholders attending the general meeting.

The Board of Directors, the independent non-executive directors, and shareholders holding more than 1% of the shares with voting rights or investor protection agencies established in accordance with laws, administrative regulations or provisions of the CSRC can publicly solicit the voting rights from the shareholders. When soliciting voting rights from shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. Solicitation of shareholders' voting rights in a paid or disguised paid way shall be prohibited. Except for statutory conditions, the Company shall not impose restrictions on the minimum shareholding proportion against the solicitation of shareholders' voting rights.

Article 50 In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately. In the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolutions can be made for special reasons such as force majeure, voting of such proposals shall be neither shelved nor refused at the general meeting.

Article 51 When considering a proposal, the general meeting shall not revise it; otherwise, such revision shall be deemed as a new proposal and may not be voted at the current general meeting.

Article 52 The name list of candidates for directors ~~and supervisors~~ shall be included in the proposal to be submitted to the general meeting for voting.

A written commitment shall be made by the candidates prior to the issuance of the notice on convening the general meeting, expressing their willingness to accept the nomination, promising to disclose their information truthfully and completely, and warranting to faithfully perform their duties as directors ~~and supervisors~~ after election.

The general meeting shall vote on the candidates for directors ~~and supervisors~~ one by one when going through the proposal. The Board of Directors shall notify the shareholders of the resumes and basic information of the candidates for directors and supervisors.

In voting at the general meeting on the election of two or more directors ~~or supervisors to be represented by the shareholders,~~ a cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolutions of the general meeting. Where the general meeting of the Company elects more than two independent non-executive directors, a cumulative voting system shall be implemented.

The cumulative voting system as mentioned in the preceding paragraph indicates that each share has the number of voting rights identical to the number of directors ~~or supervisors~~ to be elected, and the voting rights owned by the shareholders may be cumulatively used when the directors ~~or supervisors~~ are being elected at a general meeting.

In electing directors and implementing the cumulative voting system, the election of independent non-executive directors shall be separated from that of other directors to ensure the proportion of independent non-executive directors in the Board of Directors of the Company.

Article 53 The same voting right shall only be exercised on site, via the Internet or by other means. Where the same vote is cast for two or more times, the first cast shall hold.

Article 54 Any vote by the shareholders at the general meeting shall be taken by way of an open ballot unless the chairman of the meeting has in good faith decided to allow a vote by a show of hands on a resolution purely relating to procedural or administrative matters. If the chairman of the meeting decides to vote by a show of hands, unless the following people request voting by ballot before or after voting by a show of hands, or the ballot is required under securities regulatory rules of the place where the Company's shares are listed, the general meeting shall vote by a show of hands:

(I) the chairman of the meeting;

(II) at least two voting shareholders or their proxies; and

(III) one or several shareholders (including proxies) holding more than 10% of the shares with voting rights individually or collectively at the meeting.

If the chairman of the meeting decides to vote by a show of hands, unless a vote by ballot is proposed, the chairman of the meeting shall, by a show of hands, declare the adoption of the proposal and record it in the minutes of the meeting as final and without the need to prove the number of votes for or against the resolution adopted at that meeting, or the proportion thereof.

The request for voting by ballot may be withdrawn by the proposer.

In the event of voting by ballot, the Company shall appoint a supervisor for vote counting in accordance with the Hong Kong Listing Rules, and disclose the relevant voting results subject to the compliance with the laws, administrative regulations, and securities regulatory rules of the place where the Company's shares are listed.

Article 55 If the matter requiring a poll is the election of the chairman of the meeting or the suspension of the meeting, voting shall be taken immediately. In respect of other matters requiring a poll, the chairman of the meeting shall decide when to hold voting, and the meeting may proceed to discuss other matters, provided that the result of the voting shall be deemed to be a resolution adopted at that meeting.

Article 56 On a poll taken at a meeting, the shareholder (including his/her proxies) entitled to two or more votes does not need to cast all his/her votes in the same way.

In the event of a tie between for and against, either by a show of hands or by poll, the shareholder who is the chairman of the meeting shall be entitled to one additional vote.

If in accordance with the applicable laws and regulations and the Hong Kong Listing Rules, any shareholder is required to abstain from voting or is restricted to voting for (or against) any individual resolution, any vote by the shareholder or his/her proxies in contravention thereof shall not be counted into the voting results.

Article 57 Before the proposal is voted at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the voting. Any shareholder who is interested in the matter under consideration and his/her proxies shall not take part in counting the votes or scrutinizing the voting.

Shareholders who vote only on one or several of the resolutions of the general meeting via the Internet shall be deemed to have attended the general meeting, and shall be included in the calculation of the number of voting rights held by the shareholders attending the general meeting. Proposals that have not been voted on by the shareholders shall be counted as abstentions. The number of votes cast by the shareholders or their proxies in exercising their voting rights through the online voting system of the general meeting shall, together with the number of votes cast on site and the number of votes cast with other methods that meet the regulations, be included in the total number of voting rights of the general meeting.

At the time of deciding on proposals by voting at the general meeting, the lawyers, shareholder representatives ~~and supervisor representatives~~ shall count the votes and scrutinize the voting jointly, and announce the voting results forthwith. The voting results in connection with the resolutions shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies shall have right to check the results of their votes through the corresponding voting system if they vote via the Internet or by other means.

Article 58 An on-site general meeting shall not end before that held online, and the chairman of the meeting shall announce the voting status and results of each proposal and announce whether the proposals are adopted or not based on the voting results.

Prior to the formal announcement of the voting results, the relevant parties involved in relation to the on-site voting or otherwise at the general meeting, including the Company, the persons responsible for counting the votes and scrutinizing the voting, and substantial shareholders, shall be obliged to keep the voting status confidential.

Article 59 The shareholders attending the general meeting shall express one of the following opinions on the proposals to be voted on: for, against, or abstain, save for the circumstance under which the securities depository and clearing institution, acting as the nominee holder of shares under the mutual stock market access between the Mainland and Hong Kong, conducts reporting in accordance with the instruction of the de facto holder of relevant shares.

An unfilled, wrongly filled, or illegible vote, or an uncast vote shall be deemed to be a waiver of the voting right of the voter, and the voting results for the number of shares he/she holds shall be accounted as "abstention".

If in accordance with the Hong Kong Listing Rules, any shareholder is required to abstain from voting or is restricted to voting for (or against) any individual resolution, any vote by the shareholder or his/her proxies in contravention thereof shall not be counted into the voting results.

Article 60 If the chairman of the meeting has any doubts as to the result of a resolution which has been put to vote at the general meeting, he/she may have the votes counted. If the chairman of the meeting has not counted the votes, any shareholder present in person or by proxy who objects to the result announced by the chairman of the meeting may, immediately after the declaration, demand that the votes be counted, and the chairman of the meeting shall have the votes counted immediately.

If the votes are counted at the general meeting, the result shall be recorded in the minutes of the meeting.

Article 61 According to the relevant laws, regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, resolutions of the general meeting shall be announced in time, which shall set out the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them and their proportion in the total number of shares with voting rights of the Company, voting methods, voting results of each proposal, and details of resolutions adopted.

Where the proposals fail to be adopted or if the general meeting changes the resolutions of the previous one, a special notice shall be included in the announcement of the resolutions of the general meeting.

Article 62 Where proposals in relation to the election of directors ~~or supervisors~~ are adopted at the general meeting, the new directors ~~and supervisors~~ shall take office after the end of the general meeting or at such time specified in the resolutions adopted at the general meeting.

Article 63 Where the general meeting adopts the proposals on the cash dividend, bonus issuance or conversion of capital reserve into share capital, the Company shall implement the specific scheme in two months after the end of the general meeting.

Article 64 The convener shall guarantee that the general meeting continues until the final resolution has been adopted. If the general meeting is suspended or the final resolution cannot be made due to force majeure or other special causes, necessary measures shall be taken to resume the general meeting or directly terminate the general meeting, and an announcement shall be made in time. Meanwhile, the convener shall report to the local office of the CSRC where the Company is domiciled and the stock exchange where the Company's shares are listed.

Article 65 The Board Secretary shall be responsible for keeping the minutes of the general meeting, which shall contain the following particulars:

(I) the time and venue of, and the agenda for the meeting, and the name or title of the convener;

(II) names of the chairman of the meeting and the directors~~, supervisors~~, the Board Secretary, the CEO, and other senior management officers in attendance or present in a non-voting capacity;

(III) the number of shareholders and proxies present at the meeting, and the total number of shares with voting rights held and their respective proportions in the total number of the Company's shares;

(IV) considerations on each proposal, key points and the voting results;

(V) queries and recommendations of shareholders and corresponding answers or explanations;

(VI) names of the lawyer, vote counter and scrutineer; and

(VII) other particulars that should be included in the minutes as required by the general meeting and the Articles of Association.

The convener shall guarantee the authenticity, accuracy and integrity of the content of the minutes. The directors~~, supervisors~~, the Board Secretary, the convener or his/her representative, and the chairman of the meeting who attend the meeting shall sign the minutes. The minutes shall be maintained together with the register of names of the shareholders present, the power of attorney for attendance, and the valid documents for the on-line and other forms of voting for a period of ten years.

Article 66 Shareholders may have access to copies of the minutes free of charge during the office hours of the Company. If any shareholder requests a copy of the minutes from the Company, the Company shall send the copy within seven days after receiving a reasonable fee.

Article 67 Any shareholder requesting the inspection or provision of the minutes shall furnish the Company with a written document evidencing the class and quantity of shares he/she holds in the Company, and the Company shall comply with such shareholder's request upon the verification of the shareholder capacity.

Article 68 Shareholders shall be entitled to request the people's court to invalidate the resolution of the general meeting which violates laws and administrative regulations.

Where the convening procedure or voting method of the general meeting violates laws, administrative regulations or the Articles of Association or the content of resolutions violates the Articles of Association, shareholders shall be entitled to apply to the people's court for cancellation within 60 days after such resolutions take effect.

Chapter 7 Special Voting Procedures for Shareholders of Different Classes

Article 69 Shareholders who hold different classes of shares shall be class shareholders.

Class shareholders shall enjoy rights and assume obligations in accordance with laws, administrative regulations, and the Articles of Association.

In addition to shareholders of other classes of shares, shareholders of domestic shares and H shares shall be deemed to be shareholders of different classes.

Where appropriate, the Company shall ensure adequate voting rights for the preferred shareholders.

Article 70 If the Company intends to change or abrogate the rights of class shareholders, it may do so only after such change or abrogation has been approved by way of a special resolution at the general meeting and by a separate class meeting convened by the affected shareholders of that class ~~in accordance with Articles 128 to 132 of the Articles of Association~~.

The quorum required for the class meeting held for this purpose (but not including an adjournment) shall be the holders representing at least one third of the issued shares of that class.

Article 71 The rights of shareholders of a certain class shall be deemed to have been changed or abrogated under the following circumstances:

(I) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

(II) to effect an exchange of all or part of the shares of such class into shares of another class, or to effect an exchange or create a right of exchange of all or part of the shares of another class into the shares of such class;

(III) to remove or reduce rights to accrued dividends or cumulative dividends attached to shares of such class;

(IV) to reduce or remove a dividend preference or property distribution preference during the liquidation of the Company attached to shares of such class;

(V) to add, remove or reduce share conversion rights, options, voting rights, transfer rights, preemptive rights to rights issues or rights to acquire securities of the Company attached to shares of such class;

(VI) to remove or reduce rights to receive amounts payable by the Company in a particular currency attached to shares of such class;

(VII) to create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

(VIII) to restrict or impose additional restrictions on the transfer or ownership of shares of such class;

(IX) to issue rights to subscribe for, or convert into, shares of such class or another class;

(X) to increase the rights and privileges of shares of other classes;

(XI) to restructure the Company where the proposed restructuring will result in different classes of shareholders having to bear liability to different extents; and

(XII) to amend or cancel the articles of this chapter.

Article 72 Shareholders of the affected class, whether or not originally having the right to vote at general meetings, shall have the right to vote at class meetings in respect of matters as referred to in items (II) to (VIII) or (XI) to (XII) above, except that interested shareholders shall not have the right to vote at class meetings.

The term "interested shareholders" as referred to in the preceding paragraph shall have the following meanings:

(I) if the Company has made a repurchase offer to all shareholders in the same proportion or has repurchased its own shares through public trading on a stock exchange in accordance with Article 28 of the Articles of Association, the controlling shareholders as defined ~~in Article 268~~ hereof shall be the "interested shareholders";

(II) if the Company has repurchased its own shares by agreement outside a stock exchange in accordance with Article 28 of the Articles of Association, shareholders related to such agreement shall be the "interested shareholders"; and

(III) in the case of a restructuring of the Company, shareholders who will bear liability in a proportion smaller than that of the liability borne by other shareholders of the same class, or shareholders who have an interest in a restructuring proposal of the Company that is different from the interest in such restructuring proposal of other shareholders of the same class shall be the "interested shareholders".

Article 73 Resolutions of a class meeting may be passed only by more than two-thirds of the voting rights of that class presented at the meeting in accordance with the preceding paragraph.

Article 74 To hold a class meeting, the Company shall notify all shareholders twenty-one days before the date of the annual class meeting; a written notice of an extraordinary class meeting shall be given to all shareholders fifteen days prior to the date of meeting, so as to notify all the shareholders of the relevant class listed on the register of the matters to be considered at the meeting plus the meeting date and place.

Where the laws, administrative regulations, and securities regulatory rules of the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 75 The notice of a class meeting shall be served only to the shareholders entitled to vote at the meeting.

The procedures according to which a class meeting is held shall, to the extent possible, be identical to the procedures according to which a general meeting is held. Provisions of the Articles of Association relevant to procedures for holding a general meeting shall be applicable to a class meeting.

Article 76 The special voting procedures for approval by a class of shareholders shall not apply:

(I) where, as approved by way of a special resolution of the general meeting, the Company issues, either separately or concurrently, domestic shares and overseas listed foreign shares every 12 months, and the number of the domestic shares and overseas listed foreign shares intended to be issued does not exceed 20% of the issued and outstanding shares of the respective class;

(II) where the plan for issuance of domestic shares and overseas listed foreign shares upon the establishment of the Company is completed within 15 months after being approved by the securities regulatory agency under the State Council or the validity period of the relevant approval document; and

(III) where, with the approval of the securities regulatory agency under the State Council, the shareholders of domestic shares of the Company transfer the shares held by them to foreign investors and list them on overseas stock exchanges.

Chapter 8 Supplementary Provisions

Article 77 Resolutions formed at the general meeting shall be implemented by the Board of Directors, and shall be handed over to the CEO of the Company to organize relevant personnel for specific implementation according to the content of the resolutions. ~~Matters required by such resolutions to be implemented by the Board of Supervisors shall be directly organized and implemented by the Board of Supervisors.~~ The Board of Directors ~~and the Board of Supervisors~~ shall report the implementation of such resolutions to the next general meeting.

Article 78 The "above" or "within" as mentioned in the Rules shall be inclusive of the relevant figure; while "over", "less than", and "more than" shall be exclusive of the relevant figure.

Article 79 The announcements or circulars as mentioned herein refer to the relevant information disclosures published on the media designated by the securities regulatory authority under the State Council and the stock exchange of the place where the Company's shares are listed. If the length of an announcement or a circular is relatively long, the Company may choose to publish a summary of the relevant content on the newspaper(s) designated by the securities regulatory authority under the State Council and the stock exchange of the place where the Company's shares are listed, but the full text shall be published simultaneously on the website designated by the above authority or stock exchange.

Article 80 Matters not covered in the Rules shall be implemented in accordance with laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association of the Company.

In case of any inconsistency between the Articles of Association and the provisions of laws, administrative regulations, departmental rules, and normative documents, the provisions shall prevail.

Article 81 The Rules shall come into effect and be implemented since the date of approval by the general meeting.

Article 82 The Rules shall be interpreted by the Board of Directors.

The proposed amendments to the Rules of Procedures for the Board of Directors are as follows:

Chapter 1 General Provisions

Article 1 In order to further regulate the working procedures and decision-making procedures of the Board of Directors of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Company**"), promote the directors and the Board of Directors to effectively perform respective responsibilities and improve the compliant operation and scientific decision-making level of the Board of Directors, these Rules are hereby formulated in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (the "**Listing Rules**"), the Guidance No. 1 of Shenzhen Stock Exchange on Self-regulation by Listed Companies – the Standardized Operation of Listed Companies on the Main Board, ~~the Letter Concerning Opinions on Supplementary Amendments to the Articles of Association of Companies Listed in Hong Kong,~~ the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited ("**Hong Kong Listing Rules**"), the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Articles of Association**") and other related provisions.

Article 2 The Board of Directors, the permanent decision-maker of the Company, shall be responsible to and report the work to the general meeting. The Board of Directors shall carefully perform the responsibilities specified by relevant laws, administrative regulations and the Articles of Association, ensure the Company complies with laws, administrative regulations and the Articles of Association, and fairly treat all shareholders. Moreover, it shall pay attention to lawful rights and interests of other stakeholders.

Chapter 2 Composition of the Board of Directors and Its Functions and Powers

Section 1 Composition of the Board of Directors and Its Functions and Powers

Article 3 The Board of Directors consists of 9 directors, including one Chairman and 3 independent non-executive directors, and one employee representative director.

Article 4 The Chairman of the Board of Directors is the legal representative of the Company.

Article 5 The Board of Directors supervises the Audit Committee, the Strategy Committee, the Remuneration and Appraisal Committee, the Nomination Committee and other special committees.

Article 6 The Board Secretary engaged by the Company shall be responsible for the preparation of the general meeting and the Board meetings, the safekeeping of documents, the management of the information of Shareholders, the handling of information disclosure affairs, etc.

Article 7 The Board shall exercise the following functions and powers:

(I) to convene and report to the general meeting;

(II) to implement the resolutions of the general meeting;

(III) to determine the business operation plans and investment plans of the Company;

(IV) to formulate the annual financial budgetary plans and final accounting plans of the Company;

(V) to formulate the profit distribution plans and loss recovery plans of the Company;

(VI) to formulate plans of the Company regarding increase or decrease of the registered capital, issuance of bonds or other securities and listing;

(VII) to formulate plans for substantial acquisition, repurchase of shares of the Company, or merger, division, dissolution and change of corporate form of the Company;

(VIII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, related party transactions, etc. of the Company within the authority granted by the general meeting;

(IX) to determine the setup of the Company's internal management structure;

(X) to appoint or dismiss the Chief Executive Officer (CEO) and the Board Secretary; engage or dismiss the Senior Vice President, Vice Presidents, the Chief Scientific Officer (CSO), the Chief Operating Officer (COO), the Chief Financial Officer (CFO) and other senior executives of the Company according to the nomination of the CEO, and decide the remuneration, award and penalty for the same;

(XI) to formulate the basic management system of the Company;

(XII) to formulate the amendment to the Articles of Association;

(XIII) to manage the information disclosure of the Company;

(XIV) to request the general meeting to engage or replace the accounting firm that provides audits for the Company;

(XV) to listen to the work report of the CEO of the Company and examine the CEO's work;

(XVI) to review and approve the following transactions with the percentage ratios calculated in accordance with the Rule 14.07 of Hong Kong Listing Rules (1) share transactions where all percentage ratios are less than 5% and the consideration of the share transactions ~~includes shares~~ to be issued for listing (including one-off transactions and a series of transactions requiring a combined percentage ratio calculation), (2) disclosable transactions with percentage ratios of 5% or more but less than 25% (including one-off transactions and a series of transactions requiring a combined percentage ratio calculation), and (3) connected transactions partially exempted and non-exempt connected transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio calculation) with percentage ratios (except profit ratios) higher than 0.1% and lower than 5% calculated in accordance with relevant percentage ratio requirements of the Rule 14.07 of Hong Kong Listing Rules;

(XVII) any other functions and powers granted by the laws, administrative regulations, departmental rules, regulation rules of the place where the Company's shares are listed or the Articles of Association.

For the above matters, the Board of Directors' resolutions shall be approved by more than half of the directors, unless otherwise specified by laws, administrative regulations, department rules, regulation rules of the place where the Company's shares are listed and the Articles of Association.

If any matter of authority to be exercised by the Board above or any transaction or arrangement of the Company, any events beyond the authorization scope of the general meeting or any transaction or arrangement of the Company, shall be subject to review by the general meeting according to the listing rules of the place where the Company's shares are listed, such matters shall be submitted to the general meeting for review.

Article 8 Various specific powers of the Board of Directors stipulated by the Company Law shall be collectively performed by the Board of Directors, which shall not authorize others to perform the same, and shall not be changed or deprived by means of the Articles of Association, a resolution of the general meeting or otherwise.

Article 9 The Board of Directors shall make explanations to the general meeting on the non-standard auditing opinions issued by the certified public accountants on the Company's financial reports.

Article 10 The general meeting shall determine the powers of the Board of Directors with respect to external investments, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted wealth management and related party transactions, set up strict inspection and decision-making procedures for important investment projects, and establish related systems. For important investment projects, the Board of Directors shall organize relevant experts and professionals to review and report at the general meeting for approval.

Article 11 Transactions of the Company (excluding the provision of guarantees and provision of financial assistance) meeting one of the following criteria shall be submitted to the Board of Directors and disclosed in a timely manner:

(I) The total assets involved in the transaction account for more than 10% of the total audited assets of the Company in the latest period, and if the total assets involved in the transaction have both book value and appraised value, the higher of which shall be used for calculation;

(II) The net assets involved in the transaction subject (such as equity) account for more than 10% of the audited net assets of the Company in the latest period, with the absolute amount exceeding RMB10 million; and where the net assets involved in the transaction have both book value and appraised value whatever is higher shall prevail;

(III) The operating revenue related to the transaction subject (such as equity) for the latest accounting year accounts for more than 10% of the Company's audited operating revenue for the latest accounting year, with an absolute amount exceeding RMB10 million;

(IV) The net profit related to the transaction subject (such as equity) for the latest accounting year accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million;

(V) The transaction amount of the transaction (including the debt and expenses) accounts for more than 10% of the Company's audited net assets in the latest period, with an absolute amount exceeding RMB10 million;

(VI) The profits from the transaction account for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1 million;

(VII) Other transactions that shall be submitted to the Board of Directors for consideration and approval in accordance with the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and shall be disclosed in a timely manner.

In case the figure involved in the above index calculation is negative, the absolute value thereof shall be taken for calculation.

"Transactions" stated in this article include the purchase or sale of assets beyond the day-to-day operating activities of the Company, external investments (including entrusted wealth management, entrusted loan and investment in subsidiaries), provision of financial assistance (including entrusted loans), provision of guarantees (including guarantees for controlled subsidiaries), leasing in or leasing out of assets, entrusting or being entrusted to manage assets and businesses, donating or receiving assets, restructuring of creditors' rights and debts, transferring or being assigned to research projects, entering into license agreements, and waiving of rights (including the waiver of the first refusal to buy and the preferred right to subscribe for the capital contribution).

Where the laws, administrative regulations, department rules and relevant rules of the securities regulatory authority in the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 12 The following related party transactions shall be submitted to the Board of Directors for approval and disclosed in a timely manner:

(I) A related party transaction involving a transaction amount above RMB300,000 between the Company and a related natural person (the Company shall not provide borrowings for the directors~~, supervisors~~ and senior executives directly or by means of subsidiaries);

(II) A related party transaction between the Company and a related legal person involving a transaction amount of more than RMB3 million and accounting for more than 0.5% of the absolute value of the Company's audited net assets for the latest period.

The following related party transactions successively incurred by the Company within 12 months shall be subject to the preceding paragraph in accordance with the principle of cumulative calculation:

(I) Transactions with the same related person;

(II) Transactions related to the same type of transaction subject with different related persons.

The above-mentioned same related person includes other related persons controlled by the same entity or having equity control relationship with each other.

Those who have performed relevant obligations in accordance with the first paragraph of this article shall not be included in the relevant accumulative calculation scope.

Where the laws, administrative regulations, department rules and relevant rules of the securities regulatory authority in the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 13 Any provision of guarantee by the Company shall be submitted to the Board of Directors or the general meeting for deliberation and disclosed in a timely manner. The external guarantee affairs shall be deliberated and approved by the Board of Directors, except for those that shall be deliberated and approved by the general meeting in accordance with the Articles of Association and other internal policies of the Company.

A guarantee affair falling into the scope of powers of the Board of Directors shall be approved by more than half of all the directors and also more than two-thirds of the directors present at the Board meeting.

Where the laws, administrative regulations, department rules and relevant rules of the securities regulatory authority in the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 14 Any provision of financial assistance by the Company shall be submitted to the Board of Directors or the general meeting for deliberation and disclosed in a timely manner. The financial assistance affairs shall be deliberated and approved by the Board of Directors, except for those that shall be deliberated and approved by the general meeting in accordance with the Articles of Association and other internal policies of the Company.

A financial assistance affair falling into the scope of authority of the Board of Directors shall be approved by more than half of all the directors and also more than two-thirds of the directors present at the Board meeting.

Where the laws, administrative regulations, department rules and relevant rules of the securities regulatory authority in the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 15 For the disposal of fixed assets by the Board, in the event that the aggregate amount of the expected value of the proposed disposal of fixed assets and the value of the disposed fixed assets during four months prior to this proposed disposal exceeds 33% of the value of the fixed assets shown in the latest balance sheet as considered at the general meeting, the Board of Directors shall not dispose of or agree to dispose of such fixed assets without obtaining approval at the general meeting.

The disposal of fixed assets as mentioned in this Article includes the transfer of certain interests of assets but excludes the provision of fixed assets as security.

The validity of the transactions for the disposal of fixed assets conducted by the Company shall not be affected by the breach of the first paragraph of this Article.

Where the laws, administrative regulations, department rules and relevant rules of the securities regulatory authority in the place where the Company's shares are listed stipulate otherwise, the relevant provisions shall prevail.

Article 16 The Company shall take measures to assure the directors' right to be informed and assure the authenticity and integrity of the information provided. For any affair that shall be decided by the Board of Directors, the Company shall, in accordance with these Rules, notify all directors, provide related information, take measures to assure the directors' right to attend the Board meetings and provide working conditions necessitated for the directors to perform responsibilities.

Section 2 Chairman of the Board of Directors

Article 17 The Chairman of the Board of Directors shall be elected and dismissed by more than half of all the directors.

Article 18 The Chairman of the Board of Directors shall exercise the following power:

(I) to preside over the general meeting, and to convene and preside over the Board meeting;

(II) to supervise and inspect the execution of the resolutions of the Board of Directors;

(III) to sign share certificates, corporate bonds, other securities and other important documents of the Company;

(IV) other authorities granted by the Board of Directors.

Article 19 The Chairman of the Board of Directors shall actively promote the formulation and improvement of various internal systems of the Company, strengthen the construction of the Board of Directors, ensure the legal and normal operation of Board meetings, convene and preside over Board meetings according to law, and supervise the directors to attend Board meetings in person.

Article 20 The Chairman of the Board of Directors shall strictly implement the collective decision-making mechanism of the Board of Directors, and shall not substitute personal opinions for the decision-making of the Board of Directors or affect the independent decision-making of other directors.

Article 21 When the Chairman of the Board of Directors exercises his/her power within the scope of his/her duties (including authorization), he/she shall make a prudent decision on matters that may have a significant impact on the operation of the Company and, if necessary, submit it to the Board of Directors for collective decision-making. The Chairman of the Board of Directors shall promptly inform all directors of the implementation status of the authorized matters.

The Chairman of the Board of Directors shall not engage in acts beyond his/her authority (including authorization).

Article 22 The Chairman of the Board of Directors shall actively supervise the implementation of the resolutions of the Board of Directors, timely inform other directors of relevant information, and timely take measures when conditions change.

Article 23 The Chairman of the Board of Directors shall assure the right of the independent non-executive directors and the Board Secretary to be informed, create good working conditions for them to perform responsibilities, and not prevent them in whatever manner from performing their responsibilities according to laws.

Article 24 If the Chairman of the Board of Directors is unable or fails to perform his/her duties, a director shall be elected jointly by more than half of the directors to perform such duties.

Section 3 Board Secretary and Board of Directors Office ~~the Securities Affairs Department~~

Article 25 The Board Secretary engaged by the Board of Directors shall be responsible for the preparation of the general meeting and the Board meetings, the safekeeping of documents, the management of the information of Shareholders, the handling of information disclosure affairs and other affairs.

Article 26 The Company shall provide convenient conditions for the Board Secretary to perform his/her duties, and the directors~~, supervisors,~~ and other senior management officers and relevant staff shall support and cooperate with the Board Secretary in his/her work.

To perform the responsibilities, the Board Secretary shall have the right to know about the financial standing and operating status of the Company, attend relevant meetings involving the information disclosure, retrieve all documents involving the information disclosure, and require related departments and personnel of the Company to provide relevant documents and information in time.

Article 27 The Company sets up the Board of Directors Office ~~Securities Affairs Department~~ to handle routine affairs of the Board of Directors.

The Board Secretary ~~is also the head of the Securities Affairs Department, and~~ keeps the seals of the Board of Directors and the Board of Directors Office ~~Securities Affairs Department~~.

Article 28 The Board Secretary and the Board of Directors Office ~~Securities Affairs Department~~ shall comply with the relevant provisions of laws, administrative regulations, departmental rules, and the Articles of Association.

Section 4 Special Committees of the Board of Directors

Article 29 The Board of Directors supervises the Audit Committee, the Strategy Committee, the Remuneration and Appraisal Committee and the Nomination Committee. A committee shall have an odd number of members, all of whom shall be directors, and have at least three members. The independent non-executive Directors shall take a majority and act the convener of the Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee. The convener of the Audit Committee shall be an accounting professional.

Article 30 The Strategy Committee shall consist of three directors, including at least one independent non-executive Director. It shall have one chairman (convener), who shall be the Chairman of the Board of Directors and take charge of the work of the committee.

Article 31 The major responsibilities of the Strategy Committee are to study and make recommendations on the long-term development strategies and major investment decisions of the Company.

Article 32 The Audit Committee is composed of three directors, all of whom shall only be the non-executive Directors. The independent non-executive Directors shall take the majority, and at least one independent non-executive Director shall be an accounting professional. It shall have one chairman (convener), who shall be an accounting professional as the independent non-executive Director and take charge of the work of the committee.

Article 33 The major responsibilities of the Audit Committee include:

(I) to propose the engagement or replacement of the external institution;

(II) to supervise the internal audit system of the Company and its implementation;

(III) to take charge of the communication between the internal auditor and the external auditor (or reviewer);

(IV) to review the financial information of the Company and its disclosure;

(V) to review the internal control system of the Company, and review related party transactions of the Company;

(VI) other affairs authorized by the Board of Directors of the Company.

Article 34 The Remuneration and Appraisal Committee shall consist of three directors, of whom the independent non-executive Directors shall take the majority. It shall have one chairman (convener), who shall be an independent non-executive Director elected by the committee and take charge of the work of the committee.

Article 35 The major responsibilities of the Remuneration and Appraisal Committee include:

(I) to study the evaluation criteria for directors and senior management officers, conduct evaluations and make recommendations;

(II) to design the remuneration plan or scheme in accordance with the major scopes, responsibilities and importance of the management posts of the directors and senior management officers, and also considering the remuneration levels of other related enterprises and posts. The remuneration plan or scheme includes but is not limited to the performance appraisal standard, procedure and major appraisal system as well as the major award and penalty plan and policy;

(III) to review the performance of duties by the directors and senior management officers of the Company and perform regular performance appraisals against them;

(IV) to supervise the implementation of the Company's remuneration policy;

(V) other affairs authorized by the Board of Directors.

Article 36 The Nomination Committee shall consist of three directors, of whom the independent non-executive Directors shall take the majority. It shall have one chairman (convener), who shall be an independent non-executive Director and take charge of the work of the committee.

Article 37 The major responsibilities of the Nomination Committee include:

(I) to advise the Board of Directors on its size and composition according to the operating activities, asset size and equity structure of the Company;

(II) to study the standard and procedure for selecting the directors and senior management officers and put forward suggestions to the Board of Directors;

(III) to extensively seek qualified candidates for directors and senior management officers;

(IV) to review the candidates of the directors and senior management officers, and submit suggestions;

(V) other duties authorized by the Board of Directors.

Article 38 The special committees may engage intermediaries to provide professional opinions at the cost of the Company. The special committees shall be responsible to the Board of Directors, and submit their proposals to the Board of Directors for deliberation and decision.

Chapter 3 Board Meetings

Section 1 General Provisions

Article 39 Board Meetings include regular meetings and extraordinary meetings.

Regular meetings of the Board are required to be held at least four times a year, approximately once per quarter. The meeting shall be convened by the Chairman of the Board of Directors.

Article 40 Proposals of regular meetings

Before the notice of the regular meeting of the Board of Directors is issued, the Board of Directors Office ~~Securities Affairs Department~~ shall fully solicit opinions of the directors and submit the proposal to the Chairman of the Board of Directors for drafting.

Before drawing up a proposal, the Chairman of the Board of Directors shall solicit opinions from the CEO and other senior management officers as necessary.

Article 41 The Chairman of the Board of Directors shall convene an extraordinary meeting of the Board of Directors within ten days upon the receipt of a proposal for such a meeting where a meeting is:

(I) proposed by the shareholders representing more than one tenth of the shares with voting rights of the Company;

(II) proposed by at least one third of directors;

(III) proposed by the Audit Committee ~~Board of Supervisors~~;

(IV) considered by the Chairman of the Board of Directors to be necessary;

(V) proposed by more than half of the independent non-executive Directors;

(VI) proposed by the CEO;

(VII) required by the securities regulatory authorities;

(VIII) other circumstances provided in the Articles of Association.

Article 42 Proposing procedures of extraordinary meetings

Where an extraordinary meeting of the Board of Directors is proposed in accordance with the provisions of the preceding article, a written proposal signed (sealed) by the proposer shall be submitted through the Board of Directors Office ~~Securities Affairs Department~~ or directly to the Chairman of the Board of Directors. A written proposal shall specify:

(I) the name or title of the proposer;

(II) reason or objective circumstance for the proposal;

(III) the time or time limit, venue and form of the meeting proposed;

(IV) well-defined and specific proposals;

(V) the proposer's contact details, the date of the proposal, etc.

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

Upon receipt of the above-mentioned written proposal and related materials, the Board of Directors Office ~~Securities Affairs Department~~ shall submit the same to Chairman of the Board of Directors on the same day. When thinking the contents of the proposal are not clear or concrete or relevant documents are not complete, the Chairman may require the proposer modify or supplement the same.

Article 43 The Board Meeting shall be convened and presided over by the Chairman of the Board of Directors. If the Chairman of the Board of Directors is unable or fails to perform his/her duties, a director elected by more than half of the directors shall preside over the meeting.

Section 2 Notice of Meetings

Article 44 Regular Board meetings and meeting documents shall be delivered to all directors ~~and supervisors~~ at least 14 days prior to the meeting (excluding the day on which the meeting is held); notice of extraordinary meetings shall be given 5 days prior to the meeting; the above notice time limit may be waived with the consent of each director of the Company. The Board shall have arrangements in place to ensure that all directors have the opportunity to raise matters for discussion on the agenda of regular Board meetings. Notice of regular or extraordinary meetings of the Board shall be given by personal delivery, facsimile, e-mail or other means. In case of emergency and it is necessary to convene an extraordinary Board meeting as soon as possible, the meeting notice may be sent by telephone or other oral means at any time, provided that the convener shall make explanations at the meeting.

The meeting notice shall be deemed to have been given to the Directors who are present at the meeting and do not raise an objection that they have not received the notice of the meeting before or at the meeting.

Article 45 The notice of the Board meeting shall contain at least the following contents:

(I) Date and venue of the meeting;

(II) Duration of the meeting;

(III) Format of the meeting;

(IV) The reason for convening the meeting and proposal thereof;

(V) Date of issuing the notice.

The oral meeting notice shall include at least the contents in items (I), (II) and (III) above, together with a statement that an extraordinary meeting shall be convened as soon as possible to the urgency of the situation.

Article 46 After the written notice of a regular Board meeting is issued, if it is necessary to change the time, venue or other matters of the meeting or to add, change or cancel any proposal of the meeting, a written notice of the change shall be issued three days before the date of the scheduled meeting, stating the situation and the relevant contents of the new proposal and materials. If the scheduled meeting is to be held less than three days, it shall be postponed accordingly or held on schedule after obtaining the approval of all the participating directors.

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

Section 3 Convening of Meetings

Article 47 Convening of meetings

A Board meeting shall be held with the presence of at least more than half of the directors. In the event that the relevant director refuses to attend or is negligent in attending the meeting resulting in failure to meet the minimum number of directors required for the convening of the meeting, the chairman of the Board and the Board Secretary shall promptly report the matter to the regulatory authorities.

~~Supervisors may attend the Board meeting;~~ ~~I~~ If the Chief Executive Officer (CEO) and Board Secretary do not serve concurrently as directors, they shall attend the Board meeting. When deeming it necessary, the director may notify other relevant persons to attend the Board meeting.

Prior to the convening of a Board meeting, the independent Directors may communicate with the Board Secretary. The Board and relevant personnel shall carefully study the issues, requests and opinions raised by the independent Directors and provide timely feedback to the independent Directors on the implementation of proposals for amendments and other matters.

Regular meetings cannot be called by circulation of written resolutions.

Article 48 Attendance in person and by proxy

In principle, directors shall attend Board meetings in person. Where a director is unable to attend a meeting for any reason, he/she shall peruse the meeting materials in advance, form definite opinions, and appoint another director in writing to attend the meeting on his/her behalf.

The power of attorney shall specify:

(I) Name of the proxy;

(II) Brief opinions of the principal on each proposal;

(III) The principal's scope of authorization and instructions about the voting intent in relation to proposals;

(IV) The period of validity of the entrustment;

(V) Signature of the principal and the date, etc.

Where a director entrusts other directors to sign written confirmations on periodic reports on his/her behalf, he/she shall give special authorization in the power of attorney.

The entrusted director shall submit a written power of attorney to the chairman of the meeting and explain the entrusted attendance in the attendance record of the meeting.

Article 49 The director shall give a written explanation and disclose to the public if any of the following occurs:

(I) Failure to attend the Board meeting in person for two consecutive times;

(II) The number of Board meetings not attended in person for 12 consecutive months during the term of office exceeds one-half of the total number of Board meetings during the term of office.

If the director fails to attend the Board meeting in person or entrust any other directors to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board shall advise the general meeting to remove such director.

If an independent Director fails to attend two consecutive meetings of the Board in person and does not delegate another independent Director to attend the meeting on his/her behalf, the Board shall, within thirty days from the date of such fact, propose to convene a general meeting to remove such independent Director from his/her position.

Article 50 Restriction on proxy attendance

Proxy attendance at Board meetings shall follow the principles below:

(I) When matters of related party transactions are considered, a non-connected director shall not entrust any connected director to attend on his/her behalf; and connected directors shall not accept the entrustment of non-connected directors;

(II) An independent non-executive Director may not appoint a director other than an independent non-executive Director to attend on his/her behalf, nor may a non-independent non-executive Director accept an appointment from an independent non-executive Director;

(III) A director shall not entrust other directors to attend on his/her behalf without stating his/her personal opinions and voting intent on any proposals, nor shall the directors concerned accept the full power of attorney and an entrustment with unclear scope of authority;

(IV) A director shall not accept the entrustment of more than two directors, nor shall he/she entrust a director who has accepted the entrustment of two other directors to attend on his/her behalf.

Article 51 Way of holding a meeting

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

Article 52 Consideration procedures of meetings

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

For proposals requiring prior approval by independent non-executive Directors, the chairman of the meeting shall, before discussing the proposal, appoint an independent non-executive director to read out the written endorsements reached by the independent non-executive directors.

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

Unless with the unanimous consent of all directors present at the meeting, the Board meeting shall not vote on any proposal not included in the notice of the meeting. A proxy director shall not vote on any proposal not included in the notice of the meeting.

Article 53 When considering a proposal, the directors shall note that:

(I) When considering a proposal for authorization, the directors shall make prudent judgment on the scope, legal compliance, reasonableness and risks of the authorization, and shall conduct continuous supervision and inspection of the implementation of the authorization granted by the Board.

(II) When considering major transactions, the directors shall understand in detail the reasons for the transactions, prudently assess the impact of the transactions on the financial position and long-term development of the Company, and pay special attention to whether there are acts that conceal the substance of the related party transactions and damage the legitimate rights and interests of the Company and the small and medium-sized shareholders by means of disassociation of the related party transactions.

(III) When considering related party transactions, directors shall make clear judgments on the necessity, true intent and impact on the Company of related party transactions, paying particular attention to the pricing policy and pricing basis of the transactions, including the fairness of the appraisal value, the relationship between the transaction price and the book value or appraisal value of the transaction subject, etc., and shall strictly observe the system of recusal of connected directors, so as to prevent the use of related party transactions to transfer benefits to connected parties and the acts that impair the legitimate rights and interests of the Company and the small and medium-sized shareholders.

(IV) When considering major investment matters, the directors shall carefully analyze the investment prospects and pay full attention to the investment risks as well as the corresponding countermeasures.

(V) Before considering a proposal on external guarantees, the directors shall actively understand the basic situation of the guaranteed party, such as its operating and financial status, creditworthiness and tax payment status, and make prudent judgments on the compliance and reasonableness of the guarantees, the ability of the guaranteed party to repay the debts and the actual affordability of the counter-guarantor.

When considering proposals for guarantees for holding companies and participating companies, the directors shall focus on whether each shareholder of the holding company or participating company has made a guarantee in the same proportion according to the proportion of equity, and make prudent judgments on the compliance, reasonableness and necessity of the guarantee, and the ability of the guaranteed party to repay the debt.

(VI) When considering the proposal for provision for impairment of assets, the directors shall pay attention to the process of formation of the asset and the reasons for the provision for impairment, whether the provision for impairment of assets is in line with the actual situation of the Company, and the impact on the Company's financial position and operating results.

Directors shall pay attention to the effectiveness of the internal control system for tracking reminders and improvement measures, handling of relevant responsible persons, and provisioning for asset impairment and handling of losses when considering proposals for asset write-offs.

(VII) When considering matters involving changes in accounting policies, changes in accounting estimates and corrections of material accounting errors, the directors shall pay attention to whether the Company has taken advantage of such matters to adjust the profit for each period.

(VIII) When considering the provision of financial assistance to a controlling subsidiary (other than a wholly-owned subsidiary), the directors shall pay attention to whether the other shareholders of the controlling subsidiary provide financial assistance in proportion to their capital contributions and on equal terms, whether there is any direct or indirect damage to the interests of the Company, and whether the Company has fulfilled the approval procedures and information disclosure obligations as required.

(IX) When considering the sale or transfer of in-use trademarks, patents, proprietary technologies, franchises and other assets related to the Company's core competitiveness, the directors shall pay full attention to whether the matter is detrimental to the legitimate rights and interests of the Company or the shareholders of the public shares and shall express a clear opinion in this regard. The aforementioned opinion shall be recorded in the minutes of the Board meeting.

Article 54 Directors shall read relevant meeting materials carefully and express their opinions independently and prudently on the basis of a full understanding of the situation.

The directors may obtain the information required for decision-making from the relevant persons and institutions such as the Board of Directors Office ~~Securities Affairs Department~~, the convener of the meeting, the Chief Executive Officer (CEO) and other senior management officers, the specialized committees, the accounting firms and the law firms, etc., prior to the meeting, or they may request the presiding officer to invite the representatives of the above persons and institutions to participate in the meeting and explain the relevant information while the meeting is in progress.

Section 4 Voting and Resolutions of Meetings

Article 55 Voting at the meeting

After each proposal has been thoroughly discussed, the presiding officer shall call for a vote of the directors present at the appropriate time.

Voting at the Board meetings shall be conducted by means of one person one vote, in writing or by show of hands. Under the premise of ensuring that the directors fully express their opinions, the extraordinary meeting of the Board may be conducted by means of communication and a resolution may be made, which shall be signed by the participating directors.

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

Article 56 Statistics of voting results

Upon completion of the voting by the directors present at the meeting, the relevant staff of the Board of Directors Office ~~Securities Affairs Department~~ shall collect the votes of the directors in a timely manner and deliver them to the Board Secretary for tallying under the supervision of one ~~of the supervisors or~~ independent non-executive directors.

For meetings held on the spot, the chairman of the meeting shall announce the voting result on the spot; in other cases, the chairman of the meeting shall request the Board Secretary to notify the directors of the results before the next working day after the end of the prescribed voting time limit.

If any director votes after the announcement of the voting result by the chairman of the meeting or after the end of the voting time, his/her vote shall not be counted.

Article 57 Formation of resolutions

Resolutions made by the Board shall be approved by a majority of all directors, unless otherwise provided for in laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 58 Abstention from voting

In any of the following circumstances, the directors shall abstain from voting on the relevant proposals:

(I) Circumstances under which a director shall abstain from voting as stipulated in laws, administrative regulations, the Listing Rules and the Hong Kong Listing Rules;

(II) The directors themselves think they shall abstain from voting;

(III) Other cases in which a director shall abstain from voting due to his/her affiliation with the enterprise involved in the proposal for the meeting, as stipulated in the Company's Articles of Association.

Where any director abstains from voting, the Board meeting can be held with the attendance of more than half of the uninterested directors. The resolutions made at the Board meeting shall be adopted by more than half of the uninterested directors. If the number of uninterested directors attending the Board meeting is less than three, the relevant proposal shall not be voted on but shall be submitted to the general meeting for consideration.

Article 59 The Board shall act in strict accordance with the authorization of the general meeting and the Articles of Association of the Company, and shall not overstep its authority to form a resolution.

Article 60 Special provisions on profit distribution

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

Article 61 Processing of proposals not approved

In case that a proposal is not approved, the Board meeting shall not consider the proposal with the same content within one month in the absence of any significant change in the relevant conditions and factors.

Article 62 Suspension of voting

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

The director who proposes that a vote be suspended shall make explicit requirements on the conditions to be met for the proposal to be submitted for reconsideration.

Article 63 Audio recordings of meetings

Board meetings convened on the spot and by video, telephone, etc. may be recorded in their entirety as necessary.

Article 64 Announcement of resolutions

Announcement of the Board resolution shall be handled by the Board Secretary in accordance with the relevant provisions of the Listing Rules and the Hong Kong Listing Rules. Prior to the disclosure of the announcement of any resolution, the attending directors and other participants, recorders and service personnel shall have the obligation to keep the contents of the resolution confidential.

Section 5 Records and Minutes of Meetings

Article 65 Records of meetings

The Board Secretary shall arrange for the staff of the Board of Directors Office ~~Securities Affairs Department~~ to take records of the Board meetings. The records of the meeting shall contain the following particulars:

(I) The session of the meeting, the date, place, manner of its convening, and the names of the convener and chairman;

(II) The issuing of the meeting notice;

(III) Names of the directors present and of directors (agents) appointed by others to attend the Board meeting;

(IV) Agenda of the meeting;

(V) The proposals to be considered at the meeting, the main points of each director's statement (which should include any concerns raised or objections expressed by the director);

(VI) The manner and result of voting on each resolution (the result of the voting shall indicate the number of votes in favor, against or abstaining);

(VII) Any other matters that the directors present at the meeting believe should be recorded.

Article 66 Minutes of meetings and records of resolutions

In addition to the minutes of the meeting, the Board Secretary may, if necessary, arrange for the staff of the Board of Directors Office ~~Securities Affairs Department~~ to make concise minutes of the meeting, and to make a separate record of the resolutions formed at the meeting based on the results of the votes counted.

Directors and recorders present at the meeting shall sign the records of the meeting. At the end of the Board meeting, the first draft and the final draft of the records of the meeting shall be sent to all directors within a reasonable period of time. The first draft is for the directors to express their opinions and the final draft for their records.

Article 67 Signatures of directors

Directors shall sign on and be responsible for the Board resolution. If a resolution of the Board violates laws, administrative regulations or the Articles of Association and causes the Company to suffer losses, the directors who participated in the resolution shall be liable to the Company for compensation. However, if a director is proven to have dissented at the vote adopting such resolution and such dissension was noted in the minutes, then the director may be exempt from liability.

Where any director neither signs as per the preceding paragraph nor provides his/her different opinions in writing or announces public statement, the said director shall be deemed as agreeing with the records of the meeting and the records of the resolutions.

Article 68 Implementation of resolutions

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

Chapter 4 Supplementary Provisions

Article 69 Keeping of meeting archives

The archives of Board meetings, including meeting notices and materials, sign-in book, power of attorney of directors who entrust others to attend on their behalf, audio-recorded materials, voting ballots, acknowledgement of notices confirmed by signatures of the directors attending the meetings, records of meetings, minutes of meetings, and records of resolutions, etc., shall be kept by the Board Secretary for a period of ten years. The minutes of such meetings shall be open for inspection at any reasonable time on reasonable notice by any director.

Article 70 Application of the Rules

(I) Unless otherwise specified, the terms used in the Rules shall have the same meaning as defined in the Articles of Association.

(II) The Rules shall enter into force and be implemented on the date of its adoption by the general meeting of the Company.

(III) For matters not covered in the Rules or in the event of any inconsistency between these Rules and the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association of the Company promulgated or amended after the effective date of the Rules, the provisions of laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association of the Company shall prevail.

(IV) Except as otherwise provided in the Rules and in the absence of ambiguity in the context, the words "above" and "below" in the rules shall include the given figure.

(V) The right to interpret the Rules shall be vested in the Board.

The proposed amendments to the Working Policy for the Independent Non-executive Directors are as follows:

Chapter 1 General Provisions

Article 1 In order to further improve the governance structure of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Company**"), safeguard the interests of the Company and shareholders, and promote the standardized operation of the Company, the System is hereby formulated in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), Securities Law of the People's Republic of China, Measures for the Administration of Independent Directors of Listed Companies (the "Measures for the Administration of Independent Directors"), Guidelines for the Governance of Listed Companies, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (the "**Listing Rules**"), the Guidance No. 1 of Shenzhen Stock Exchange on Self-regulation by Listed Companies – the Standardized Operation of Listed Companies on the Main Board, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), and the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (the "**Articles of Association**").

Article 2 An independent non-executive Director is a Director who does not hold any position in the Company other than as a Director, and who does not have any direct or indirect interest in the Company, its major shareholders, or its de facto controllers, or any other relationship that may affect his/her ability to make independent and objective judgments.

Article 3 The independent non-executive Directors shall have the obligation of loyalty and diligence to the Company and all shareholders, and shall conscientiously perform their duties in accordance with the laws, administrative regulations, the provisions of the China Securities Regulatory Commission (the "**CSRC**"), the business rules of the stock exchange in which the Company's shares are listed and the Articles of Association of the Company, play the roles of participating in the decision-making, supervising, checking and balancing, and professional consulting in the Board, safeguard the interests of the Company as a whole, and protect the lawful rights and interests of small and medium-sized shareholders.

Article 4 Independent non-executive Directors shall perform their duties independently and shall not be influenced by the Company, its major shareholders, de facto controllers or other entities or individuals who have an interest in the Company and its major shareholders or de facto controllers.

Article 5 The independent non-executive Directors of the Company shall not account for less than one-third of the members of the Board. At least one of the Company's independent non-executive Directors shall have appropriate professional qualifications or possess appropriate accounting or related financial management expertise and meet the requirements of Rule 3.10(2) of the Hong Kong Listing Rules.

At least one of the Company's independent non-executive Directors shall be ordinarily resident in Hong Kong.

Article 6 An independent non-executive Director shall, in principle, serve as an independent non-executive Director in a maximum of three domestic listed companies and shall ensure that he/she has sufficient time and energy to effectively fulfill his/her duties as an independent non-executive Director.

Chapter 2 Conditions of Service of Independent Non-executive Directors

Article 7 An independent non-executive Director of the Company shall fulfill the following basic conditions of service:

(I) Qualified to act as a Director of the Company in accordance with the laws, administrative regulations, the Hong Kong Listing Rules and other relevant regulations;

(II) Possesses the independence required by the Measures for the Administration of Independent Directors and the Hong Kong Listing Rules;

(III) Have the basic knowledge of operation of the Company and be familiar with the relevant laws, administrative regulations, rules and regulations;

(IV) Have at least five years of working experience in law, accounting or economics necessary for performing the duties of an independent non-executive Director;

(V) Have good personal integrity and no major breach of trust or other adverse records; Each independent non-executive Director shall satisfy The Stock Exchange of Hong Kong Limited that he/she has the personality, integrity, independence and experience to enable him/her to discharge the duties effectively and to ensure that the interests of all shareholders are adequately represented;

(VI) Other conditions stipulated by laws, administrative regulations, CSRC regulations, the business rules of the stock exchange in which the Company's shares are listed and the Articles of Association of the Company.

Article 8 The independent non-executive Directors shall have good personal integrity and shall not have the following adverse records:

(I) Those who have been subject to administrative penalties by the CSRC or criminal penalties by the judicial authorities for securities and futures violations within the last thirty-six months;

(II) Those who have been investigated by the CSRC or by the judicial authorities for suspected securities and futures violations and crimes, and there is not yet a clear opinion on the conclusion;

(III) Those who have been subject to the public censure or criticized in a circulated notice for more than three times by the stock exchange in the last thirty-six months;

(IV) Those who have been subject to significant breach of trust and other adverse records;

(V) Those who have been removed from the position of independent non-executive Director by the general meeting as proposed by the Board for less than twelve months due to his/her failure to attend in person or to delegate another independent non-executive Director to attend two consecutive Board meetings during his/her previous tenure as an independent non-executive Director;

(VI) Other circumstances as determined by the securities regulator of the place where the Company's shares are listed.

Article 9 Independent non-executive Directors shall have independence that meets the requirements of Rule 3.13 of the Hong Kong Listing Rules.

Article 10 Candidates for independent non-executive Directors nominated in the capacity of accounting professionals shall have extensive professional knowledge and experience in accounting and meet at least one of the following conditions:

(I) Being qualified as a certified public accountant;

(II) Having a senior professional title, associate professor or above professional title or doctor's degree in accounting, auditing or financial management;

(III) Having a senior professional title in economic management and at least five years full-time working experience in accounting, auditing or financial management.

Article 11 The following persons shall not serve as the independent non-executive Director of the Company:

(I) Persons working for the Company or its subsidiaries, their spouses, parents and children, and major social relations (major social relations are siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of spouses of children, etc., the same below);

(II) Natural person shareholders who directly or indirectly hold more than 1% of the Company's issued shares or who are among the Company's top ten shareholders, and their spouses, parents and children;

(III) Persons who work for shareholders who directly or indirectly hold more than 5% of the Company's issued shares or who work for one of the Company's top five shareholders, and their spouses, parents, and children;

(IV) Persons serving in the subsidiary enterprises of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;

(V) Persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in units with which they have significant business dealings and their controlling shareholders or de facto controllers;

(VI) Persons providing financial, legal, consulting and sponsorship services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including, but not limited to, all members of the project team of the intermediary institution providing the services, reviewers at all levels, persons signing the report, partners, Directors, senior management and principals;

(VII) Persons who have been in the situations listed in the above within the last twelve months;

(VIII) Other persons who do not possess independence as stipulated by laws, administrative regulations, regulations of the CSRC, business rules of the stock exchange in which the Company's shares are listed and the Articles of Association of the Company.

Article 12 Independent non-executive Directors shall conduct an annual self-examination of independence and submit the self-examination to the Board. The Board shall evaluate and issue a special opinion on the independence of the incumbent independent non-executive Directors on an annual basis, which shall be disclosed at the same time as the annual report.

Article 13 The independent non-executive Directors shall continuously strengthen the study of securities laws and regulations and rules, and improve their ability to perform their duties.

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

Article 14 The Board, t~~he Supervisory Committee,~~ and shareholders who individually or collectively hold more than 1% of the Company's issued shares may propose candidates for independent non-executive Directors, who shall be decided and elected by the general meeting.

An investor protection agency established by law may publicly request shareholders to entrust it to exercise the right to nominate independent non-executive Directors on their behalf.

The nominator specified in the first paragraph shall not nominate any person who has an interest in the nominator or other closely related person who may affect the independent performance of duties as a candidate for independent non-executive Director.

Article 15 The nominator of an independent non-executive Director shall obtain the consent of the nominee prior to nomination. The nominator shall fully understand the nominee's occupation, academic qualifications, job title, detailed work experience, all part-time jobs, any major breach of trust and other adverse records, etc., and express an opinion that the nominee meets the independence and other conditions for serving as an independent non-executive Director. The nominee shall make a public statement that he/she meets the independence and other conditions for serving as an independent non-executive Director.

Article 16 Independent non-executive Directors shall demonstrate that they have the competence and sufficient business or professional experience to reach a level acceptable to the Stock Exchange and to ensure that the interests of all shareholders are adequately protected.

Article 17 The Nominating Committee shall examine the qualifications of nominees for office and form a clear opinion on the examination.

Article 18 The Company shall make relevant disclosures in accordance with the relevant provisions before the general meeting for the election of independent non-executive Directors is convened and submit the relevant materials of all candidates for independent non-executive Directors to the stock exchange where the Company's shares are listed, and such materials shall be true, accurate and complete.

The stock exchange examines the relevant materials of the independent non-executive Director candidates in accordance with the regulations, and prudently determines whether they meet the qualifications for appointment and has the right to raise objections. If the stock exchange raises an objection, the Company shall not submit it for election at the general meeting.

Article 19 Where the general meeting of the Company elects two or more independent non-executive Directors, a cumulative voting system shall be implemented.

Votes of small and medium-sized shareholders shall be counted and disclosed separately.

Article 20 An independent non-executive Director shall, as soon as possible after being elected by the general meeting, submit to the Stock Exchange of Hong Kong, in accordance with the relevant provisions of the Hong Kong Listing Rules, a Form H for Directors' Declarations and Undertakings, together with a written confirmation stating the following matters:

(I) Confirming whether he/she is independent as described in the System and the relevant provisions of the Hong Kong Listing Rules;

(II) Confirming whether he/she has a financial or other interest in the business of the Company or its subsidiaries in the past or at present, and whether he/she has any relationship with any of the Company's core connected persons;

(III) Stating whether there are any other factors that may affect his/her independence at the time of filing the Form H for Directors' Declarations and Undertakings.

Each independent non-executive Director shall notify the Stock Exchange immediately of any subsequent change in circumstances that may affect his/her independence. Each independent non-executive Director shall confirm his/her independence to the Company annually. The Company shall confirm in its annual report each year whether it has received such confirmation and confirm the independence of the independent non-executive Director concerned.

The aforesaid independent non-executive Directors shall also submit to the Shenzhen Stock Exchange the written and electronic documents of the Directors' Declarations and Undertakings within one month after his/her appointment is approved by the general meeting. If the appointment of an independent non-executive Director requires prior approval from the relevant authorities, the obligation as described in the preceding paragraph shall be fulfilled from the date of obtaining such approval.

Article 21 The term of office of each independent non-executive Director shall be the same as that of the other Directors of the Company, and upon expiration of the term of office, he/she may be re-elected, but his/her consecutive term of office shall not exceed six years.

If a person has served as an independent non-executive Director of the Company for six consecutive years, the person shall not be nominated as a candidate for the position of independent non-executive Director of the Company for a period of thirty-six months from the date of occurrence of such fact.

Article 22 Before the expiration of the term of office of an independent non-executive Director, the Company may terminate his/her office in accordance with legal procedures. In case of early dismissal of an independent non-executive Director, the Company shall promptly disclose the specific reasons and basis. If the independent non-executive Director has objections, the Company shall disclose them in a timely manner.

If an independent non-executive Director fails to comply with the provisions of Article 7 (1) or (2) of the System, he/she shall immediately cease to perform his/her duties and resign from his/her position. If the resignation is not tendered, the Board shall, as soon as it knows or ought to have known of the occurrence of such fact, remove him/her from office in accordance with the regulations.

If an independent non-executive Director fails to attend two consecutive meetings of the Board in person and does not delegate another independent non-executive Director to attend the meeting on his/her behalf, the Board shall, within thirty days from the date of such fact, propose to convene a general meeting to remove such independent non-executive Director from his/her position.

Article 23 An independent non-executive Director may resign before the end of his/her tenure. An independent Director who resigns shall submit a written resignation report to the Board, explaining any circumstances relating to his/her resignation or that he/she deems necessary to bring to the attention of the Company's shareholders and creditors. The Company shall disclose the reasons and concerns for the resignation of the independent non-executive Director.

Article 24 If an independent non-executive Director tenders his/her resignation or is relieved of his/her duties so that the proportion and/or number of independent non-executive Directors on the Board or its special committees does not comply with the provisions of relevant laws, regulations, the rules of the stock exchange where the Company's shares are listed and the Articles of Association, or if there is a lack of accounting professionals among the independent non-executive Directors, the independent non-executive Director who intends to resign shall continue to perform his/her duties until the date on which a new independent non-executive Director is created. The Company shall complete the by-election of such independent non-executive Directors within sixty days from the date of the occurrence of the aforesaid fact and shall notify and/or disclose to the stock exchange where the Company's shares are listed in accordance with the relevant laws, regulations, the rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Except as provided in the preceding paragraph, the resignation of independent non-executive Directors shall come into force upon the delivery of the resignation report to the Board.

Chapter 4 Powers and Functions and Obligations of Independent Non-executive Directors

Article 25 Independent non-executive Directors shall perform the following duties:

(I) To participate in the decision-making of the Board and express clear opinions on the matters under consideration;

(II) To supervise potential material conflicts of interest between the listed Company and its controlling shareholders, de facto controllers, Directors and senior management as listed in Article 26 of the System and Articles 26, 27 and 28 of the Measures for the Administration of Independent Directors, so as to urge the Board to make decisions in line with the interests of the Company as a whole and to protect the legitimate rights and interests of small and medium-sized shareholders;

(III) To provide professional and objective advice on the Company's operation and development, and promote the enhancement of the Board's decision-making level;

(IV) To perform other responsibilities as specified by laws, administrative regulations, rules, rules of the stock exchange(s) where the securities are listed, and the Articles of Association.

Independent non-executive directors shall declare to the Company and abstain from voting if they find that the matters under consideration may affect their independence. In the event that there is any obvious impact on the independence during his/her tenure, he/she shall notify the Company in a timely manner, propose solutions, and resign when necessary.

Article 26 The following matters shall be submitted to the Board for consideration after being approved by more than half of all independent non-executive Directors of the Company:

(I) connected transactions that shall be disclosed;

(II) programs of the Company and related parties to change or waive commitments;

(III) decisions made and measures taken by the Board of the acquired company in response to the acquisition;

(IV) other matters as specified by laws, administrative regulations, rules, rules of the stock exchange(s) where the Company's share are listed, and the Articles of Association.

Article 27 The independent non-executive Directors shall exercise the following special powers and functions:

(I) To independently engage intermediary institutions to audit, consult or verify specific matters of the Company;

(II) To propose to the Board to convene an extraordinary general meeting;

(III) To propose Board meetings;

(IV) To openly solicit shareholders' rights from shareholders in accordance with the law;

(V) To express independent opinions on matters that may jeopardize the interests of the Company or small and medium-sized shareholders, or on other matters stipulated in the requirements of the securities regulatory authorities at the place where the Company's shares are listed and the Articles of Association' which shall at least include the requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles of Association ;

(VI) To perform other matters stipulated by laws, administrative regulations, departmental rules, normative documents and the Articles of Association or recognized by the securities regulatory rules of the place where the securities are listed.

When an independent non-executive Director exercises the powers and functions listed in items (I) to (III) of the preceding paragraph, he/she shall obtain the approval by more than one-half of all independent non-executive Directors.

The Company shall disclose in a timely manner any exercise of the powers and functions listed in the first paragraph by independent non-executive Directors. If the above powers and functions cannot be exercised normally, the Company shall disclose the specific details and reasons.

~~The exercise of the powers and functions in item (VI) shall be subject to the consent of all the independent non-executive Directors, and the relevant expenses shall be borne by the Company.~~

If the above proposal is not adopted or the above powers and functions cannot be exercised normally, the Company shall disclose the relevant information.

Article 28 The Company shall hold a meeting attended by all independent non-executive Directors (the "**special meeting of independent Directors**") on a regular or irregular basis. Matters listed in items (I) to (III) of the paragraph 1 of Article 27, and Article 26 of the System shall be considered at a special meeting of independent Directors.

The special meeting of independent Directors may study and discuss other matters of the Company as needed.

The special meeting of independent Directors shall be convened and presided over by an independent non-executive Director jointly elected by more than half of the independent non-executive Directors; in the event that the convener fails to or is unable to perform his/her duties, two or more independent non-executive Directors may convene and elect a representative to preside over the meeting on their own.

The Company shall facilitate and support the convening of the special meeting of independent Directors.

Chapter 5 Modalities of Performance of Independent Non-executive Directors

Article 29 Where an independent non-executive Director gives an independent opinion, the opinion expressed shall be clear and unambiguous and shall at least include the following contents:

(I) basic information of material matters;

(II) the basis for expressing opinions, including the procedures performed, the documents audited and the contents of on-site inspection, etc.;

(III) the legality and compliance of material matters;

(IV) the impact on the rights and interests of the Company and small and medium-sized shareholders, the possible risks and the effectiveness of the measures adopted by the Company;

(V) the concluding opinions expressed, including consent; qualified opinion and the reasons thereof; objection and the reasons thereof; and inability to express an opinion and the impediments thereof.

The independent non-executive Directors shall sign and confirm the independent opinions expressed, and report the above opinions to the Board of Directors in a timely manner and disclose it together with the relevant announcements of the Company.

Article 30 The independent non-executive Directors shall submit an annual work report to the annual general meeting of the Company to explain their performance of duties. The annual work report shall include the following contents:

(I) The number of times, ways and votes of attending the Board of Directors, and the number of times attending the general meeting;

(II) Participation in the work of special committees of the Board of Directors and special meeting of independent Directors;

(III) Consideration of the matters set out in Article 26 of the System, and Articles 26, 27 and 28 of the Measures for the Administration of Independent Directors and exercise of the special powers and functions of the independent non-executive Directors as set out in paragraph 1 of Article 27 of the System;

(IV) Information on significant matters, methods and results of communication with the internal audit department and the accounting firm that undertakes the Company's auditing business regarding the Company's financial and business status;

(V) Communication with small and medium-sized shareholders;

(VI) The time and content of on-site work at the Company;

(VII) Other circumstances of the performance of duties.

The annual work report of the independent non-executive Directors shall be disclosed no later than when the Company gives notice of its annual general meeting.

Article 31 Prior to the convening of a Board meeting, the independent non-executive Directors may communicate with the Board Secretary to inquire about the matters to be considered, request for additional materials, and offer opinions and suggestions. The Board of Directors and relevant personnel shall carefully study the issues, requests and opinions raised by the independent non-executive Directors and provide timely feedback to the independent non-executive Directors on the implementation of proposals for amendments and other matters.

Article 32 Independent non-executive Directors shall attend Board meetings in person. If they are unable to attend the meeting in person for any reason, they shall review the meeting materials in advance, form a clear opinion and entrust other independent non-executive Directors in writing to attend the meeting on their behalf.

Article 33 An independent non-executive Director who votes against or abstains from voting on a proposal of the Board shall state the specific reasons and grounds, the legality and compliance of the matter involved in the proposal, the possible risks and the impact on the

rights and interests of the Company and the small and medium-sized shareholders. The Company shall disclose the dissenting opinions of the independent non-executive Directors at the same time when disclosing the Board resolutions and set out in the Board resolutions and minutes of meetings.

Article 34 The Company shall establish an Audit Committee under the Board of Directors. The members of the Audit Committee shall be Directors who do not serve as senior management officers of the Company, of which a majority shall be independent non-executive Directors, with accounting professionals among the independent non-executive Directors serving as conveners.

The Company has set up special committees such as the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy Committee under the Board of Directors. The majority of members of the Nomination Committee and the Remuneration and Appraisal Committee shall be independent non-executive Directors, who shall also be the conveners.

Independent non-executive Directors shall perform their duties in the special committees of the Board of Directors of the Company in accordance with the laws, administrative regulations, the provisions of the CSRC, the business rules of the stock exchange and the Articles of Association. The independent non-executive Directors shall attend the meetings of the special committees in person, and if they are unable to attend the meetings in person for any reason, they shall review the meeting materials in advance, form a clear opinion, and entrust other independent non-executive Directors in writing to attend the meetings on their behalf. If the independent non-executive Directors are concerned about a material matter of the Company within the scope of the duties of the special committees in the performance of their duties, they may bring the matter to the special committees for discussion and consideration in a timely manner in accordance with the procedures.

Article 35 The independent non-executive Directors shall pay continuous attention to the implementation of the Board resolutions in relation to the matters set out in Article 26 of the System and Articles 26, 27 and 28 of the Measures for the Administration of Independent Directors, and shall report to the Board of Directors in a timely manner if they find that there is any violation of the laws and administrative regulations, the provisions of the CSRC, the business rules of the stock exchange and the Company's Articles of Association or any violation of the resolutions of the general meeting and of the Board of Directors and may request the Company to make a written explanation. Where disclosure matters are involved, the Company shall disclose them in a timely manner.

If the Company fails to provide an explanation or timely disclosure in accordance with the preceding paragraph, the independent non-executive Directors may report to the CSRC and the stock exchange.

Article 36 The independent non-executive Directors shall spend no less than 15 days per year working on-site at the Company. In addition to attending general meetings, meetings of the Board and its special committees, and special meetings of independent Directors in accordance with the regulations, independent non-executive Directors may perform their duties in a variety of ways, such as obtaining information on the Company's operations on a regular basis, listening to reports from the management, communicating with intermediaries such as the head of the internal audit department and the accounting firm that undertakes the Company's auditing business, conducting on-site inspections, and communicating with the small and medium-sized shareholders.

Article 37 The Board of Directors of the Company, its special committees and special meetings of independent Directors shall prepare minutes of the meetings in accordance with the regulations, and the opinions of independent non-executive Directors shall be set out in the minutes. The independent non-executive Directors shall sign and confirm the minutes of the meetings.

Independent non-executive Directors shall make work records that detail the performance of their duties. Information obtained by independent non-executive Directors in the course of performing their duties, minutes of relevant meetings, and records of communications with staff members of the Company and intermediaries form an integral part of the work records.

For important contents in the work records, the independent non-executive Directors may request the Board Secretary and other relevant personnel to sign and confirm, and the Company and relevant personnel shall render cooperation.

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

Chapter 6 Working Conditions of Independent Non-executive Directors

Article 38 The Company shall provide the independent non-executive Directors with necessary working conditions and personnel support in performing their duties, and designate the Office of the Board of Directors, the Board Secretary and other special departments and personnel to assist the independent non-executive Directors in performing their duties.

The Board Secretary shall ensure that there is a smooth flow of information between the independent non-executive Directors and other Directors, senior management officers and other relevant personnel, and that the independent non-executive Directors have access to adequate resources and necessary professional advice in the performance of their duties.

Article 39 The Company shall ensure that independent non-executive Directors have the same right to know as other Directors. In order to ensure the effective exercise of the powers and functions of independent non-executive Directors, the Company shall inform the independent non-executive Directors of the Company's operation on a regular basis, provide information, and organize or cooperate with the independent non-executive Directors to carry out on-site inspections.

The Company may organize independent non-executive Directors to participate in research and argumentation before the Board of Directors considers major and complex matters, fully listen to the opinions of independent non-executive Directors, and provide timely feedback to independent non-executive Directors on the adoption of their opinions.

Article 40 The Company shall give notice of Board meetings to independent non-executive Directors in a timely manner, provide relevant meeting information no later than the period for notice of Board meetings as stipulated in the laws, administrative regulations, the regulations of the CSRC or the Articles of Association, and provide independent non-executive Directors with an effective channel of communication; where a meeting of a special committee of the Board of Directors is convened, the Company shall, in principle, provide relevant materials and information no later than three days prior to the convening of the meeting of the special committee. The Company shall keep the above meeting materials for at least ten years.

When two or more independent non-executive Directors consider that the materials of the Board meeting are incomplete, insufficiently argued or not provided in a timely manner, they may propose in writing to the Board of Directors to postpone the meeting or to adjourn the consideration of the matter, and the Board of Directors shall adopt such proposal.

Meetings of the Board and special committees are held on-site as a rule. On the premise of ensuring that all participating Directors are able to fully communicate and express their opinions, the meeting may be held by video, telephone or other means in accordance with the procedures when necessary.

Article 41 Where an independent non-executive Director exercises his/her powers, the Company's Directors, senior management officers and other relevant personnel shall render cooperation, and shall not refuse, obstruct or conceal relevant information, or interfere with his/her independent exercise of powers and functions.

If an independent non-executive Director encounters obstruction in the exercise of his/her powers and functions in accordance with the law, he/she may explain the situation to the Board of Directors, request the Directors, senior management officers and other relevant personnel to render cooperation, and record the specific circumstances of the obstruction and the solution in his/her work records; if he/she still fails to eliminate the obstruction, he/she may report the situation to the CSRC and the stock exchange.

Where the performance of duties by an independent non-executive Director involves information that shall be disclosed, the Company shall handle the disclosure matters in a timely manner; where the Company does not disclose such information, the independent non-executive Director may directly apply for disclosure or report to the CSRC and the stock exchange.

The Company shall improve the communication mechanism between the independent non-executive Directors and the small and medium-sized shareholders, and independent non-executive Directors may verify the issues raised by the investors with the Company in a timely manner.

Article 42 The Company shall bear the expenses incurred by the independent non-executive Directors in engaging professional organizations and exercising other powers and functions.

Article 43 The Company shall grant independent non-executive Directors allowances commensurate with their responsibilities. The criteria for the allowance shall be formulated by the Board, considered and approved by the general meeting, and disclosed in the Company's annual report.

In addition to the above allowances, independent non-executive Directors shall not obtain other benefits from the Company, its major shareholders, de facto controllers or interested entities and personnel.

Chapter 7 Supplementary Provisions

Article 44 The term "above" as stated in the System shall include the given figure; the term "less than" shall exclude the given figure.

Article 45 Any matter not specified in the System shall be handled according to the relevant laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed and the Articles of Association. If there are any conflicts between the relevant laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed or the Articles of Association, the laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed and the Articles of Association shall prevail, and the System shall be revised correspondingly. Where relevant provisions on the rights and obligations of independent non-executive Directors have been set forth in the Articles of Association, rules of procedure and other systems, they shall be implemented in conjunction with the relevant provisions.

Article 46 The System shall come into force and be implemented on the date of its adoption by the general meeting of the Company. The former "Working Policy for Independent Non-Executive Directors of Asymchem Laboratories (Tianjin) Co., Ltd." shall automatically become null and void as of the effective date of the System.

The proposed amendments to the Administrative Measures for External Guarantees are as follows:

Chapter I General Provisions

Article 1 These Measures are formulated to strengthen the management of external guarantees of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Company"), standardize the Company's guarantee acts, control and reduce guarantee risks, ensure the safety of the Company's assets, in accordance with the Company Law of the People's Republic of China, Civil Code of the People's Republic of China (hereinafter referred to as the "Civil Code"), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and other laws, regulations, normative documents, and the Articles of Association, and in light of the Company's actual circumstances.

Article 2 External guarantees as referred to in these Measures denote the Company, in its capacity as a third party, providing guarantees for a debtor's obligations. Should the debtor fail to fulfill its obligations, the Company shall assume responsibility for performing the obligations as agreed upon. Forms of guarantees include suretyship, mortgage, and pledge.

Article 3 The external guarantees referred to in these Measures include the Company's guarantees for its controlled subsidiaries. These Measures apply to the Company and its wholly-owned/controlled subsidiaries (hereinafter referred to as "subsidiaries").

Article 4 The total amount of external guarantees referred to in these Measures is the sum of the Company's external guarantee amount, including guarantees for its subsidiaries, and the external guarantee amount of the Company's subsidiaries.

Article 5 The Company implements unified management for external guarantees. No external guarantees shall be provided without the approval of the Board of Directors or the general meeting. External guarantees by subsidiaries shall be authorized by the Board of Directors or the general meeting of the parent company.

Article 6 The Company's external guarantees shall adhere to the principles of legality, prudence, mutual benefit, and safety, and strictly control guarantee risks. The Company has the right to refuse any action that forces it to provide guarantees for others.

Article 7 The Company must require the counterparty to provide counter-guarantees for any external guarantee. The provider of such counter-guarantees shall have the actual capacity to bear the liability, and the counter-guarantee shall be enforceable.

Article 8 The Company must strictly fulfill its information disclosure obligations regarding external guarantees in accordance with relevant laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, and the Articles of Association. It must accurately provide all external guarantee matters of the Company to certified public accountants as required.

Chapter II Authority for Decision-Making on External Guarantees

Article 9 External guarantee matters must be considered and approved by the Board of Directors or the general meeting. The resolutions of the Board of Directors in respect of guarantee matters within the scope of authority of the Board of Directors shall, in addition to being passed by more than one half of the directors, require the affirmative vote of not less than two-thirds of the directors attending the Board meeting. If the number of directors participating in the voting is less than two-thirds of all members of the Board of Directors due to abstentions, the external guarantee matter shall be submitted to the general meeting for voting. External guarantee matters that should be considered and approved by the general meeting must first be considered and approved by the Board of Directors in the form of a special resolution before being submitted to the general meeting for consideration. These matters must be approved by more than half of the voting rights held by the shareholders present at the general meeting. For special circumstances of external guarantees, approval by more than two-thirds of the voting rights held by all shareholders present at the general meeting is required.

Article 10 The following external guarantees of the Company shall be considered and approved by the general meeting after being considered and approved by the Board of Directors:

(I) any single guarantee with amount exceeding 10% of the Company's latest audited net assets;

(II) any guarantee provided by the Company and its controlled subsidiaries after the total amount of external guarantees has exceeded 50% of the Company's latest audited net assets;

(III) guarantees provided for guarantee objects with an asset-liability ratio exceeding 70%;

(IV) the guarantee amount within twelve consecutive months exceeds 30% of the Company's latest audited total assets;

(V) the guarantee amount within twelve consecutive months exceeds 50% of the Company's latest audited net assets ~~and the absolute amount exceeds RMB 50 million~~;

(VI) any guarantee provided to the shareholder, actual controller and its related person;

(VII) other guarantee circumstances stipulated by relevant regulatory bodies or the Articles of Association.

Article 11 If an external guarantee constitutes a discloseable transaction as defined in Chapter 14 of the Hong Kong Listing Rules, it shall also comply with the provisions of Chapter 14 of the Hong Kong Listing Rules. If any percentage ratio test calculated according to Rule 14.07 of the Hong Kong Listing Rules reaches 5% or more, such transaction shall be approved by the Board of Directors and the Company shall publish an announcement as required by the Hong Kong Listing Rules. If any percentage ratio test reaches 25% or more, such transaction shall be approved by the general meeting, and the Company shall publish an announcement and dispatch a circular to shareholders as required by the Hong Kong Listing Rules.

Article 12 The provision of guarantees by the Company for jointly held entities or connected persons shall comply with the requirements of the Hong Kong Listing Rules on connected transactions. Jointly held entity shall cover a company whose shareholders include (1) the company or its subsidiaries; and (2) any connected person at the corporate level who may exercise or control the exercise of 10% or more of the voting power at general meetings of the jointly held entity, either individually or jointly, (such voting power excluding any indirect interest held by such person through the company).

Article 13 When the general meeting deliberates on proposals for guarantees provided to shareholders, actual controllers, and their affiliated enterprises, such shareholders or shareholders controlled by such actual controllers shall not participate in the voting. Such voting shall be approved by more than half of the voting rights held by other shareholders present at the general meeting.

Article 14 Guarantees shall not be provided for a guaranteed party if any of the following circumstances applies or if insufficient information is provided:

(I) False records in financial accounting documents or provision of false information within the last 3 years;

(II) Fund investment direction not conforming to national laws, regulations, or national industrial policies;

(III) Suffering losses in the previous accounting year or having very little profit in the previous year with expected losses in the current year, unless the guaranteed party is a controlled subsidiary within the scope of the Company's consolidated financial statements;

(IV) The Company has previously provided guarantees for it, and cases of overdue bank loans or interest arrears have occurred, which have not been repaid or for which effective resolution measures have not been implemented by the time of the current guarantee application;

(V) Deterioration of operational status, poor credit, and no signs of improvement;

(VI) Failure to secure effective property for counter-guarantees;

(VII) Other circumstances where the Board of Directors or the general meeting deems that a guarantee cannot be provided, as stipulated by relevant regulations.

Chapter III Acceptance and Review Procedures for the Company's External Guarantee Applications

Article 15 The Company's external guarantee applications shall be accepted uniformly by the finance department. The guaranteed party shall submit a guarantee application form and attachments to the finance department at least thirty working days in advance. The guarantee application form shall at least include the following contents:

(I) Basic information of the guaranteed party;

(II) Description of the principal debt being guaranteed;

(III) Type of guarantee and guarantee period;

(IV) Main terms of the guarantee agreement;

(V) Explanation of the repayment plan and source for the guaranteed debt by the guaranteed party;

(VI) Counter-guarantee proposal.

Attachments shall include but not be limited to:

(I) Copy of the business license of the corporate legal person of the guaranteed party;

(II) The guaranteed party's latest audited financial statements for the preceding year and the latest period;

(III) The principal debt contract for which the guarantee is provided;

(IV) Standard form of guarantee contract provided by the creditor;

(V) Statement of absence of significant litigation, arbitration, or administrative penalties;

(VI) Other materials deemed necessary by the finance department.

Article 16 The secretary to the Board of Directors is responsible for the compliance review of the Company's external guarantees and for organizing the approval procedures of the Board of Directors or general meeting.

Article 17 The Company shall investigate the operational status and creditworthiness of the guaranteed party. The Board of Directors shall carefully review and analyze the financial status, operational status, industry prospects, creditworthiness, and tax status of the guaranteed party, and make a prudent judgment on the compliance, reasonableness, the guaranteed party's ability to repay debts, and the actual bearing capacity of the counter-guarantee provider. The Company may, if necessary, engage external professional institutions to assess the risks of implementing external guarantees as a basis for the decision-making of the Board of Directors or the general meeting.

Article 18 The independent non-executive directors of the Company shall express independent opinions when the Board of Directors reviews external guarantee matters. If necessary, they may engage an accounting firm to verify the Company's cumulative and current external guarantee situations. If any abnormality is found, it shall be promptly reported to the Board of Directors and regulatory authorities and announced.

Chapter IV Daily Management and Continuous RiskControlof External Guarantees

Article 19 When the Company provides an external guarantee, a written contract shall be concluded. The guarantee contract shall comply with the Civil Code and other relevant laws and regulations, and its main terms shall be clear and unambiguous. The guarantee contract shall at least include the following contents:

(I) Creditor and debtor;

(II) Type and amount of the principal debt being guaranteed;

(III) Term for the debtor to perform its obligations;

(IV) Form of guarantee;

(V) Scope of guarantee;

(VI) Other matters that the parties deem necessary to be agreed upon.

Article 20 The Company's chairman or other legally authorized personnel shall sign the guarantee contract on behalf of the Company in accordance with the resolution of the Company's Board of Directors or general meeting. Without a resolution passed and authorized by the Company's general meeting or Board of Directors, no person may sign any guarantee contract on behalf of the Company in the Company's name.

Article 21 The Company's finance department is the functional management department for the Company's external guarantees, responsible for the credit investigation and evaluation of the guaranteed party, review of guarantee contracts, subsequent management, and management of external guarantee archives.

Article 22 The Company shall properly manage guarantee contracts and related original documents, promptly conduct clean-up and inspection, and regularly reconcile with banks and other relevant institutions to ensure the completeness, accuracy, and effectiveness of archived data, and pay attention to the validity and term of the guarantee. In the process of contract management, if any abnormal contract not approved by the Board of Directors or the general meeting is found, it shall be promptly reported to the Board of Directors ~~and the Board of Supervisors~~ and the stock exchange where the Company's shares are listed.

Article 23 The finance department shall track and supervise the operational and financial status of the guaranteed party during the guarantee period for continuous risk control. In case of any significant adverse change in the guaranteed party's ability to repay debts during the guarantee period, it shall promptly report to the Board of Directors and specifically undertake the following tasks:

(I) Timely understand and grasp the guaranteed party's fund utilization and recovery status;

(II) Regularly inquire about the debt repayment status from the guaranteed party and creditors;

(III) Pay attention to the guaranteed party's production and operation, external guarantees, and situations such as demerger or merger, change of legal representative. If the guaranteed party's financial condition deteriorates, report to the Company promptly and provide suggestions;

(IV) If the guaranteed party is suspected of transferring assets to evade debts, immediately report to the Company and coordinate with the Company's legal counsel to carry out risk prevention work;

(V) If it is found that the creditor and debtor collude maliciously to harm the Company's interests, immediate measures shall be taken to confirm the invalidity of the guarantee contract;

(VI) If economic losses are caused due to the guaranteed party's breach of contract, prompt recourse shall be pursued against the guaranteed party;

(VII) In conjunction with the Company's legal counsel, request the Company to participate in relevant guarantee bankruptcy cases and exercise the right of recourse in advance;

(VIII) Notify the guaranteed party two months in advance to prepare for debt repayment and subsequent work.

If the guaranteed party's operational status seriously deteriorates or major events such as the Company's dissolution or demerger occur, the relevant finance department shall report to the Board of Directors in a timely manner, and the Board of Directors shall take effective measures to minimize losses.

Article 24 If a guaranteed debt needs to be extended after maturity and continues to require a guarantee from the Company, it shall be regarded as a new external guarantee and must undergo the guarantee application review and approval procedures in accordance with these provisions.

Article 25 Upon maturity of the debt in respect of which external guarantees have been provided, the Company shall procure the guaranteed party to fulfill its repayment obligations within the specified time limit. If the guaranteed party fails to perform its obligations on time, the Company shall promptly take necessary remedial measures; if the guaranteed party fails to perform, when the creditor claims against the Company, the Company shall immediately initiate the counter-guarantee recourse procedure.

Article 26 Where there are two or more guarantors under the guarantee contract and it is agreed with the creditor that each guarantor shall assume guarantee responsibility according to its respective share, the Company shall refuse to assume any guarantee responsibility beyond its own share.

Article 27 The Company shall disclose information promptly in any of the following circumstances:

(I) the guaranteed party fails to perform its repayment obligations within fifteen trading days after the debt becomes due;

(II) the guaranteed party enters into bankruptcy, liquidation, or other circumstances that seriously affect its ability to repay.

Article 28 The Company shall disclose all following relevant contents applicable to the transaction in accordance with the type of transaction:

(I) The description of the transaction and whether the parties to the transaction have a connected relationship; and for the transaction that meet the criteria in accordance with the cumulative calculation principle, the individual transaction status and cumulative status should also be briefly described;

(II) The basic information of the counterparty;

(III) Basic information of the subject of the transaction, including the name, book value, valuation value, operation status of the subject, whether there is any mortgage, pledge or other rights of the third party on the relevant assets, whether there is a major dispute, litigation or arbitration involving the relevant assets, and whether there are judicial measures such as seizure or freezing;

Where the subject of the transaction is equity, the basic information of the company corresponding to the equity and the financial data such as the audited total assets, total liabilities, net assets, operating income and net profit of the most recent year and a period shall also be explained;

Where the disposal of shares in a controlling subsidiary results in a change in the scope of the Company's consolidated statements, it shall also indicate whether the Company has provided guarantees for the subsidiary, entrusted the subsidiary with wealth management, and the occupation of the Company's funds by the subsidiary; if exists, the amount involved in the above matters, the impact on the Company and the resolution measures should be disclosed;

(IV) Major terms of the transaction agreement, including the transaction amount, payment method (e.g. cash, equity, asset transfer, etc.), payment term or installment arrangement, effective conditions, effective time and valid term of the agreement; a special explanation should be provided if there is any form of additional or reservation clause in the transaction agreement;

Where the transaction is subject to the approval by the general meeting or competent authority, the legal procedures necessary to perform and its progress shall also be specified;

(V) Basis of transaction pricing and the capital resource of expenditure;

(VI) Delivery status, delivery and transfer time of the subject of transaction;

(VII) Benefits expected to be gained from the transaction by the Company, including potential benefits, and the impact of the transaction on the current and future financial position and operation results of the Company;

(VIII) Analysis of the performance ability of relevant transaction counterparties;

(IX) Personnel arrangement, land lease and debt reorganization involved in the transaction;

(X) Explanation of connected transactions which may arise after completing the transaction;

(XI) Explanation of the potential competition in the same industry which may arise after completing the transaction and relevant response measures;

(XII) Intermediary and its opinion;

(XIII) Other contents required by the stock exchange or regulatory authorities to contribute to explain the substance of transactions.

Article 29 When the Company discloses guarantee matters, in addition to the provisions of Article 28 of these Measures, it shall also disclose the total amount of external guarantees provided by the Company and its subsidiaries as of the disclosure date, the total amount of guarantees provided by the Company for its subsidiaries, and the respective proportions of these amounts to the Company's latest audited net assets.

Chapter V Supervision, Inspection, and Accountability

Article 30 The Company shall regularly designate relevant departments to supervise and inspect guarantee business, and clearly define the responsibilities and powers of the supervisory and inspection personnel. The scope of inspection shall include, but not be limited to:

(I) Setup of relevant positions and personnel for guarantee business;

(II) Implementation of the authorization and approval system for guarantee business;

(III) Assessment of guarantee property in guarantee business;

(IV) (Specific execution of guarantee business;

(V) Collection of guarantee fees in guarantee business;

(VI) Custody of guarantee property in guarantee business;

(VII) Implementation of the assessment and accountability system for guarantee business.

Article 31 If relevant responsible persons of the Company violate the relevant provisions of these Measures, the Company shall, depending on the severity of the circumstances, impose warnings, formal reprimands, dismissal from duties, or other disciplinary actions on the relevant responsible persons, and may request appropriate compensation from them. In severe cases, the Company shall report to the regulatory authorities for investigation and handling.

Chapter VI Supplementary Provisions

Article 32 These Measures shall become effective ~~and be implemented upon the listing and trading of the company's overseas listed foreign shares (H shares) on the Main Board of the Hong Kong Stock Exchange~~ after being considered and approved by the Company's general meeting. From the effective date of these Measures, the original Administrative Measures for External Guarantees of Asymchem Laboratories (Tianjin) Co., Ltd. shall automatically become invalid.

Article 33 The Board of Directors of the Company shall be responsible for the interpretation and revision of these Measures.

Article 34 Should any provision of these Measures conflict with relevant national laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, the national provisions shall prevail. Matters not covered by these Measures shall be handled in accordance with the provisions of relevant national laws, regulations, departmental rules, normative documents, securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

The proposed amendments to the Administrative Measures for External Investments are as follows:

CHAPTER 1 GENERAL PROVISIONS

Article 1 To strengthen the management of external investments of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Company"), regulate its external investment activities, prevent external investment risks, effectively and reasonably utilize funds, improve external investment efficiency, and protect the interests of the Company, its shareholders and investors, these Measures are formulated in accordance with the relevant provisions of the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Self-regulatory Guidelines No. 1 for the Companies Listed on the Shenzhen Stock Exchange– Standardized Operation ~~Guidelines~~ of Main Board Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and other relevant laws, regulations, regulatory documents, as well as the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Articles of Association"), in conjunction with the actual circumstances of the Company.

Article 2 For the purposes of these Measures, external investment refers to activities of the Company intending to obtain future earnings by making external investments of various types with a certain amount of monetary capital, equity and evaluated tangible or intangible assets and other resources available to the Company.

Article 3 External investment of the Company can be categorized into short-term investment and long-term investment based on the duration of investment.

Short-term investment mainly refers to the investments acquired by the Company that can be readily realized and held for not more than one year (inclusive), including trading financial assets, available-for-sale financial assets, and entrusted loans.

Long-term investment mainly refers to various investments that have an investment term of more than one year and cannot be readily realized or are not intended to be realized, mainly including but not limited to the following types of investments:

(I) enterprises independently established by the Company or business projects independently funded by the Company;

(II) joint ventures, cooperative companies or development projects jointly funded and established by the Company and other domestic or overseas independent legal entities, partnerships or natural persons;

(III) equity participation in other domestic or overseas independent legal entities or participation in a partnership as a limited partner;

(IV) operating assets which are leased out, under entrusted operation or jointly operated with other parties.

Article 4 All external investment activities of the Company must comply with relevant national laws, regulations and industrial policies, conform to the long-term development plans and development strategies of the Company, be conducive to the expansion of its principal business, the reasonable allocation of enterprise resources and the sustainable development of the Company, have expected investment returns, and be conducive to improving the overall economic interests of the Company.

The Company shall reasonably arrange and use its funds, shall be committed to developing its principal business, and shall not use raised funds for securities investments and derivative transactions.

Article 5 These Measures apply to all external investment activities of the Company and its wholly-owned subsidiaries and controlled subsidiaries (hereinafter collectively referred to as "subsidiaries").

CHAPTER 2 ORGANIZATIONAL AND MANAGEMENT STRUCTURE FOR EXTERNAL INVESTMENTS

Article 6 The general meeting, the Board of Directors and the chief executive officer (CEO) of the Company, as the decision-making bodies for the Company's external investments, shall make decisions on the Company's external investments within their respective scopes of authority. No other department or individual shall have the authority to make decisions on external investments.

~~**Article 7** The company's Board Audit Committee shall conduct prior review of venture capital investments and issue review opinions on the risks of venture capital projects, procedures performed, and the implementation of internal control systems.~~

Article 7 ~~**Article 8**~~ The chief executive officer (CEO) of the Company shall be the principal person responsible for the implementation of external investments, and shall be responsible for collecting, collating and conducting preliminary evaluations of information on new investment projects, proposing investment suggestions, and reporting the investment progress to the Board of Directors in a timely manner to facilitate timely decision-making by the Board and the general meeting.

Article 8 ~~**Article 9**~~ The chief executive officer (CEO) of the Company shall review and evaluate project plans or analysis reports and decide whether to organize implementation or submit the same to the Board of Directors or the general meeting for approval and implementation.

Article 9 ~~**Article 10**~~ The external investment management department of the Company shall participate in the research and formulation of the Company's development strategies, conduct benefit evaluations and reviews of major investment projects, and propose project recommendations. It shall be responsible for the preliminary selection, planning, feasibility studies and preparation of the Company's external basic construction investments, production and operational investments, and joint venture and lease projects. It shall also be responsible for the performance assessment of subsidiaries under responsibility target management.

Article 10 ~~**Article 11**~~ The external investment management department of the Company, as the main executive department for external investments, shall be specifically responsible for collecting information on investment projects; preparing project proposals and feasibility study reports; applying for project approval and establishment; supervising and coordinating the project implementation process; and conducting evaluations upon project completion.

Article 11 ~~**Article 12**~~ The finance department of the Company shall be the daily financial management department for external investments. Once an external investment project of the Company is determined, the finance department shall be responsible for raising funds, coordinating with relevant parties to handle procedures such as capital contribution, business registration, tax registration, and bank account opening and other related formalities, and shall implement strict borrowing, approval and payment procedures.

Article 12 ~~**Article 13**~~ The internal audit department of the Company shall supervise the entire process of investment projects in accordance with its duties, and shall be responsible for pre-investment benefit audits and periodic audits of investment projects.

Article 13 ~~**Article 14**~~ The ~~Securities Department~~ Board of Directors Office of the Company shall be responsible for the legal review of agreements, contracts, key related correspondence, articles of association and other important documents relating to external investment projects.

Article 14 ~~**Article 15**~~ For investment projects with high technical specialization or a relatively large scale, a dedicated project feasibility study team shall be formed to carry out preliminary work.

CHAPTER 3 APPROVAL AUTHORITY FOR EXTERNAL INVESTMENT

Article 15 ~~**Article 16**~~ The approval of the Company's external investments shall strictly comply with the approval procedures stipulated by the Company Law and other relevant laws, regulations, regulatory documents, the listing rules of the stock exchanges where the Company's shares are listed, the Articles of Association, the Rules of Procedures for the General Meeting of Asymchem Laboratories (Tianjin) Co., Ltd., the Rules of Procedures for the Board of Directors of Asymchem Laboratories (Tianjin) Co., Ltd., and the Work Rules for Chief Executive Officer (CEO), and shall be carried out within the prescribed scope of authority.

Article 16 ~~**Article 17**~~ When an external investment of the Company (except for related party transactions) meets one of the following criteria, it shall be submitted to the Board of Directors for consideration and approval and be disclosed in time:

(I) the total assets involved in the transaction account for more than 10% of the total audited assets of the Company in the latest period, and if the total assets involved in the transaction have both carrying value and appraised value, the higher of which shall prevail;

(II) the transaction amount (including liabilities and expenses incurred) accounts for more than 10% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10.00 million;

(III) the profits from the transaction account for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1.00 million;

(IV) the business income of the transaction subject (such as equity) in the latest accounting year accounts for more than 10% of the audited business income of the Company in that year, with absolute amount exceeding RMB10.00 million;

(V) the net profit related to the transaction subject (such as equity) in the latest accounting year accounts for more than 10% of the audited net profit of the Company in that year, with absolute amount exceeding RMB1.00 million;

(VI) the net assets involved in the transaction subject (such as equity) account for more than 10% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10.00 million; if the net assets involved in the transaction have both book value and appraised value, the higher of which shall prevail;

(VII) ~~(VI)~~ under the Hong Kong Listing Rules, an external investment may constitute a transaction under Chapter 14 "Discloseable Transactions", and any applicable percentage ratio for such transaction is higher than or equal to 5%.

If the data involved in the calculation of the above indicators is negative, the absolute value shall be used.

Where the Company engages in derivative transactions, the management shall issue a feasibility analysis report on the derivative transactions and submit it to the Board of Directors. These transactions may only be executed after being reviewed and approved by the Board of Directors and timely disclosed, with independent directors providing specific opinions. Derivative related party transactions between the Company and related persons shall be submitted to the general meeting for consideration.

Article 17 ~~**Article 18**~~ When an external investment of the Company (except for related party transactions and receipt of cash assets as gift) meets one of the following criteria, it shall be submitted to the general meeting for consideration upon consideration and approval by the Board of Directors, and shall be disclosed in time:

(I) the total assets involved in the transaction account for more than 50% of the total audited assets of the Company in the latest period, and if the total assets involved in the transaction have both carrying value and appraised value, the higher of which shall prevail;

(II) the net assets involved in the transaction subject (such as equity) account for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million;

(III) ~~(II)~~ the business income of the transaction subject (such as equity) in the latest accounting year accounts for more than 50% of the audited business income of the Company in that year, with absolute amount exceeding RMB50.00 million;

(IV) ~~(III)~~ the net profit related to the transaction subject (such as equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in that year, with absolute amount exceeding RMB5.00 million;

(V) ~~(IV)~~ the transaction amount (including liabilities and expenses incurred) accounts for more than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB50.00 million;

(VI) ~~(V)~~ the profits from the transaction account for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB5.00 million;

(VII) ~~(VI)~~ under the Hong Kong Listing Rules, an external investment may constitute a transaction under Chapter 14 "Discloseable Transactions", and any applicable percentage ratio for such transaction is higher than or equal to 25%.

If the data involved in the calculation of the above indicators is negative, the absolute value shall be used.

Where the Company engages in derivative transactions beyond the authority of the Board of Directors and not for the purpose of hedging, such transactions shall be conducted only after being considered and approved by the Board of Directors, with the independent directors providing their special opinions, and being submitted to the general meeting for consideration and approval. Prior to the issuance of the notice of general meeting, the Company shall, either on its own or by engaging a consulting agency, issue a special analysis report on the necessity, feasibility and risk management measures of the proposed derivative transactions, and disclose the conclusion of the analysis.

Where the subject matter of the transaction represents "purchase or sale of assets", the higher of the total assets and the transaction amount shall be used as the standard for calculation, and shall be cumulatively calculated within twelve consecutive months based on the type of transaction. The matters that reach 30% of the most recent audited total assets of the Company after a cumulative calculation shall be submitted to the general meeting for consideration and approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Article 18 ~~**Article 19**~~ Any external investment of the Company less than the amount specified in the preceding two articles shall be reviewed and approved by the chief executive officer (CEO) authorized by the Board of Directors. Where an investment by a subsidiary of the Company does not meet the standards prescribed in the preceding two articles, the subsidiary shall complete its internal decision-making procedures in accordance with its articles of association and submit it to the chief executive officer (CEO) of the Company for approval.

Article 19 ~~**Article 20**~~ Where the subject matter of the transaction is equity and the purchase or sale of such equity will result in a change to the scope of the Company's consolidated financial statements, the total assets and operating revenue of the company corresponding to such equity shall be deemed as the total assets involved in the transaction and the operating revenue related to the subject of the transaction as described in these Measures.

Article 20 ~~**Article 21**~~ Where the Company's external investment involves the establishment of a limited liability company, a joint stock limited company or a partnership, the provisions of these Measures shall be applied on the basis of the total amount of capital contribution agreed upon in the agreement.

Article 21 ~~**Article 22**~~ Where the Company's external investment constitutes a related party transaction, it shall be handled in accordance with the approval procedures for related party transactions.

CHAPTER 4 MANAGEMENT OF EXTERNAL INVESTMENTS

Article 22 ~~**Article 23**~~ The Company shall strictly control the use of its own funds for securities investment, entrusted wealth management (except for cash management) or investment in futures, options, warrants and other derivative products based on stocks, interest rates, exchange rates and commodities.

Article 23 ~~**Article 24**~~ Where the Company engages in entrusted wealth management (except for cash management), it shall select qualified professional wealth management institutions with sound credit standing, good financial conditions, no adverse credit record and strong profitability as the trustee, and shall enter into a written contract with the trustee to specify the amount, term, type of investment, rights, obligations, and legal liabilities of both parties concerning the entrusted wealth management.

Article 24 ~~**Article 25**~~ Procedures for the Company's short-term investments are as follows:

(I) The finance department of the Company shall provide the chief financial officer with a statement of the Company's cash flow and an explanation of funds available for short-term investments;

(II) The external investment management department of the Company shall, based on the Company's funding position, be responsible for identifying suitable short-term investment opportunities, preparing proposals and plans for such investments, and making and submitting recommendations on short-term investments to the Company's competent department for external investments for review;

(III) The chief financial officer of the Company shall conduct feasibility studies on the short-term investment proposals (plans) submitted by the external investment management department of the Company, issue review comments, and submit them for approval in accordance with the approval authority;

(IV) Short-term investment proposals that have been approved or resolved shall be executed by the finance department.

Article 25 ~~**Article 26**~~ Short-term marketable securities purchased by the Company must be recorded under the Company's name on the date of purchase.

Article 26 ~~**Article 27**~~ The finance department of the Company shall collect investment-related documents at the end of each month and shall be responsible for timely recording short-term investments by category, quantity, unit price, accrued interest, purchase date, etc., and for carrying out the relevant accounting treatment.

Article 27 ~~**Article 28**~~ The finance department of the Company shall be responsible for periodically verifying the use and balance of funds for securities investments. Interest and dividends received shall be promptly recorded in the accounts.

Article 28 ~~**Article 29**~~ The Company shall establish a strict securities custody system, requiring at least two persons to exercise joint control. Securities investment operators shall be separated from personnel responsible for funds and financial management, with mutual checks and balances. No individual shall have sole access to investment assets. Any deposit or withdrawal of investment assets must bear the joint signatures of two persons subject to mutual checks and balances.

Article 29 ~~**Article 30**~~ The Company's long-term external investments shall be classified according to their nature as new projects or capital increases for existing projects:

(I) new projects refer to investment in projects after they have been approved to be set up, according to the approved investment amount.

(II) capital increase in existing projects refers to the activity of adding investments in original investment projects on the basis of the original approved investment amount in accordance with the needs of business operations.

Article 30 ~~**Article 31**~~ Long-term investment procedures of the Company are as follows:

(I) the investment management department of the Company shall determine the purpose of the investment and inspect the investment environment;

(II) the investment management department of the Company shall prepare a letter of intent for investment (report on project approval) on the basis of full investigation and research;

(III) the investment management department of the Company shall prepare a feasibility study report of the investment project and submit it to the chief executive officer (CEO);

(IV) complete the approval procedures as prescribed by these Measures;

(V) the finance department of the Company shall be responsible for assisting in the implementation of the project;

(VI) the investment management department of the Company shall be responsible for the implementation and post-investment management of the investment project.

Article 31 ~~**Article 32**~~ For major investment projects, experts or intermediary agencies may be engaged to conduct reviews and feasibility analysis and deliberation.

Article 32 ~~**Article 33**~~ For an investment project that needs to be submitted to the general meeting for consideration, if the subject of the transaction is equity, the Company shall employ an accounting firm with the qualifications to engage in securities and futures-related business to audit the financial and accounting reports of the subject of the transaction for the most recent year and one period, and the closing date for audit shall not be more than six months prior to the date of the general meeting. If the subject of the transaction is an asset other than equity, the Company shall employ an asset appraisal institution with the qualifications to engage in securities and futures-related business to conduct an appraisal, and the benchmark date for appraisal shall not be more than one year prior to the date of holding the general meeting. If the transaction reaches the threshold in the Hong Kong Listing Rules requiring an accountant's report, such report shall also be prepared in accordance with those rules.

Article 33 ~~**Article 34**~~ The Company shall dispatch directors, supervisors, financial or other management personnel to the investee in accordance with the demand and relevant regulations, and establish a system of timely reporting, year-end debriefing, annual business performance evaluation and rotation for the relevant personnel stationed in the investee.

Article 34 ~~**Article 35**~~ The candidates for the personnel to be dispatched for external investment shall be determined by the chief executive officer (CEO) of the Company. The dispatched personnel shall earnestly perform their duties in accordance with the provisions of the Company Law and other relevant laws and regulations, safeguard the interests of the Company in the operation and management activities of the newly established company, and aim to accomplish the value preservation and appreciation of the Company's investment.

CHAPTER 5 RECOVERY AND TRANSFER OF EXTERNAL INVESTMENTS

Article 35 ~~**Article 36**~~ The Company may recover its external investments under any of the following circumstances:

(I) The investment project (or enterprise) has reached the end of its operating term in accordance with the articles of association of the invested enterprise;

(II) Due to poor operation of the investment project (or enterprise), it is unable to repay its due debts and bankruptcy is implemented according to law;

(III) The project (or enterprise) is unable to continue operations due to force majeure;

(IV) Other circumstances for termination of the investment as stipulated in the contract arise or occur.

Article 36 ~~**Article 37**~~ The Company may transfer its external investments under any of the following circumstances:

(I) The investment project has become obviously inconsistent with the Company's business direction;

(II) The investment project incurs continuous losses with no hope of turning around and has no market prospects;

(III) The Company urgently requires additional funds due to insufficient operating capital;

(IV) Other circumstances deemed necessary by the Company.

Article 37 ~~**Article 38**~~ The transfer of investments shall be strictly handled in accordance with

the relevant provisions on investment transfers under the Company Law and other laws. The disposal of external investments must comply with the relevant national laws and regulations.

Article 38 ~~**Article 39**~~ The procedures and authority for approving the disposal of external investments shall be the same as those for approving the implementation of external investments.

Article 39 ~~**Article 40**~~ The finance department of the Company shall be responsible for conducting asset valuation for the recovery and transfer of investments, so as to prevent any loss of the Company's assets.

CHAPTER 6 FINANCIAL MANAGEMENT AND AUDIT OF EXTERNAL INVESTMENTS

Article 40 ~~**Article 41**~~ The finance department of the Company shall maintain comprehensive and complete financial records of the Company's external investment activities, carry out detailed accounting, establish separate subsidiary ledgers for each investment project, and record relevant information in detail. The accounting policies, accounting estimates, and changes adopted in accounting and financial management shall comply with the enterprise financial accounting system and its relevant regulations.

Article 41 ~~**Article 42**~~ The financial management of long-term external investments shall be the responsibility of the finance department of the Company. The finance department shall, based on the need for analysis and management, obtain financial reports from the investee entities in order to analyze their financial conditions, safeguard the Company's rights and interests, and ensure that the Company's interests are not harmed.

Article 42 ~~**Article 43**~~ The Company shall carry out regular or special audits of subsidiaries.

The accounting methods and the accounting policies, accounting estimates, and any changes thereto adopted in the financial management of the subsidiaries of the Company shall comply with the relevant provisions of the Company's accounting management system. The subsidiaries of the Company shall submit financial accounting statements to the finance department of the Company on a monthly or quarterly basis and shall, in accordance with the requirements for the preparation of consolidated financial statements and external disclosure of accounting information by the Company, promptly submit accounting statements and provide accounting information.

Article 43 ~~**Article 44**~~ The subsidiaries shall designate a person and a department to take charge of significant events reporting and be responsible for information communication between the subsidiaries and the finance department and the office of the Board of the Company.

Article 44 ~~**Article 45**~~ The subsidiaries are required to fulfill basic obligations of information disclosure in accordance with relevant provisions of the Information Disclosure Management Measures and Rules of Internal Reporting of Material Information of the Company, and the information provided by the subsidiaries shall be true, accurate, complete and reported to the Board of Directors of the Company in the first instance to enable timely external disclosure by the secretary to the Board of Directors and the company secretary.

CHAPTER 7 SUPERVISION AND ASSESSMENT OF EXTERNAL INVESTMENT

Article 45 ~~**Article 46**~~ The Board of Directors of the Company shall be regularly updated on the progress of implementation of major investment projects and the investment benefits. In case of failure to make investment as scheduled, failure to achieve the expected benefits from the projects or occurrence of investment losses, the Board of Directors of the Company shall investigate the reasons, and hold the relevant personnel accountable.

Article 46 ~~**Article 47**~~ The ~~Board of Supervisor~~ Audit Committee of the Company shall have the right to supervise the implementation of the Company's investment decision-making procedures, the implementation of investment projects (plans), the return on investment and other matters related to investments. The project supervisory department or project supervisors shall promptly report the weaknesses in the internal control of external investment business identified in the course of supervision and inspection, and the relevant departments of the Company shall investigate the reasons and take measures to correct and improve them. The audit department shall report on the supervision and inspection of the internal control of the external investment business and the rectification and improvement of the relevant departments on a regular or irregular basis in accordance with the internal management authority of the Company.

Article 47 ~~**Article 48**~~ In the event that the Company falsifies the project proposal, feasibility study report, and other materials for external investment and provides false information, resulting in the loss of such investment, or if individuals seek personal gains by taking advantage of their powers or neglect their duties, causing the loss of assets, it shall be investigated for economic and legal liabilities.

If the department responsible for reviewing the external investment does perfunctory work which causes an economic loss, or it neglects its duty and seeks personal gains, corresponding sanctions shall be imposed according to the seriousness of the circumstances.

Article 48 ~~**Article 49**~~ Prior to the disclosure of the external investment matters, each informed person shall have the obligation to keep confidential.

Article 49 ~~**Article 50**~~ The Company's external investment shall be disclosed in strict compliance with the relevant provisions of the China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong, the stock exchange where the Company's shares are listed and the Articles of Association.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

Article 50 ~~**Article 51**~~ The terms "above" and "within" as used herein shall include the number itself; "exceed" shall not include the number itself.

Article 51 ~~**Article 52**~~ Matters not covered herein shall be implemented in accordance with the relevant laws, regulations, normative documents, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

In the event of any conflict between these Measures and any laws, regulations, normative documents, the listing rules of the stock exchange where the Company's shares are listed or the Articles of Association as amended through legal procedures, the provisions of such laws, regulations, normative documents, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association shall prevail.

Article 52 ~~**Article 53**~~ These Measures shall become effective ~~and be implemented upon the listing and trading of the Company's overseas listed foreign shares (H shares) on the Main Board of The Stock Exchange of Hong Kong Limited,~~ after being considered and approved by the Company's general meeting. From the effective date of these Measures, the original Measures for the Administration on External Investments of Asymchem Laboratories (Tianjin) Co., Ltd. shall automatically become invalid.

Article 53 ~~**Article 54**~~ The Board of Directors shall be responsible for the interpretation of these Measures.

The proposed amendments to the Management and Decision-making Measures for Related (Connected) Transactions are as follows:

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to regulate related party/connected transactions of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Company"), safeguard the legitimate rights and interests of the Company's shareholders, and ensure that related party/connected transactions between the Company and its related persons/connected persons comply with the principles of fairness and impartiality, the Policy has been formulated in accordance with the Company Law of the People's Republic of China, the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange (hereinafter referred to as the "SZSE Listing Rules"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), relevant laws, regulations, regulatory documents and the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Articles of Association").

Article 2 When conducting transactions with related persons/connected persons, the Company shall follow the following basic principles:

(1) Principle of good faith;

(2) Principles of equality, voluntariness, equivalence and consideration;

(3) Principles of transparency, fairness and impartiality;

(4) Necessary related party/connected transactions shall be regulated in strict compliance with national laws and regulations;

(5) In necessary related party/connected transactions, related/connected shareholders and related/connected Directors shall follow the voting abstention mechanism as stipulated in the Articles of Association and the Policy;

(6) When dealing with related party/connected transactions between the Company and related/connected persons, the legitimate rights and interests of the Company and non-related shareholders shall not be prejudiced;

(7) The Board of Directors of the Company shall determine whether the related party/connected transaction is beneficial to the Company based on objective criteria;

(8) Independent Directors shall express independent opinions on material related party/connected transactions;

(9) Related party/connected transactions shall be conducted on "normal commercial terms or better terms". The Company must enter into a written agreement or legally binding written document with the related party/connected person for all related party/connected transactions, the terms of which shall be fair and reasonable and in the interests of the Company and its shareholders as a whole.

Article 3 The Board of Directors of the Company shall judge whether the related party/connected transaction is beneficial to the Company and whether it harms the interests of shareholders based on objective criteria, ~~The independent opinions issued by the Board of Supervisors shall be duly respected.~~ and, if necessary, engage professional intermediaries for evaluation and audit, or engage independent financial advisors to give opinions.

Article 4 The Company's assets belong to the Company, and the Company shall take effective measures to truly implement the Policy to prevent the shareholders and their related parties/connected persons from illegally occupying or transferring the Company's funds, assets and other resources through related party/connected transactions, and pay special attention to preventing the occupation of non-operating funds by the shareholders and their related parties/connected persons.

The Company shall not directly or indirectly provide loans unrelated to the Company's business to the Directors~~, Supervisors~~ or senior management.

CHAPTER 2 RELATED PERSONS/CONNECTED PERSONS

Article 5 Any legal person(s) or other organization(s) under any of the following circumstances are the related legal person(s) of the Company under the SZSE Listing Rules:

(1) any legal person(s) or other organization(s) directly or indirectly controlling the Company;

(2) any legal person(s) or other organization(s), other than the Company and its controlling subsidiaries, directly or indirectly controlled by such legal person(s) as stated in item (1) above;

(3) any legal person(s) or other organization(s), other than the Company and its controlling subsidiaries, directly or indirectly controlled by the related natural person(s) of the Company listed in Article 6 of the Policy, or where such related natural person(s) serve as directors or senior management;

(4) any legal person(s) or other organization(s) and person(s) acting in concert holding more than 5% of the Company's shares;

(5) other legal person(s) identified by the China Securities Regulatory Commission, the Shenzhen Stock Exchange, or the Company as having a special relationship with the Company based on the principle of substance over form, which may or has resulted in the Company's interests being tilted in their favour.

Where the Company and the legal person(s) listed in item (2) of this Article are controlled by the same state-owned asset management institution and the circumstance described in item (2) of this Article is thereby constituted, this does not, by itself, constitute a related party relationship, except where the chairman, general manager or more than half of the directors of such legal person(s) fall into the circumstances listed in item (2) of Article 6 of the Policy.

Article 6 Any natural person(s) under any of the following circumstances are related natural person(s) of the Company under the SZSE Listing Rules:

(1) any natural person(s) directly or indirectly holding more than 5% of the shares of the Company;

(2) directors~~, supervisors~~ and senior management members of the Company;

(3) directors, supervisors and senior management members of the legal person(s) listed in item (1) of Article 5 of the Policy;

(4) a close family member of the persons stated in items (1) and (2) of this Article, including: spouse, children aged 18 or above and spouses thereof, parents and parents-in-law, siblings and spouses thereof, siblings of spouses, and parents of children's spouses;

(5) other natural person(s) identified by the China Securities Regulatory Commission, the Shenzhen Stock Exchange, or the Company as having a special relationship with the Company based on the principle of substance over form, which may result in the Company's interests being tilted in their favour.

Article 7 According to the SZSE Listing Rules, any legal person(s) or natural person(s) under any of the following circumstances shall be deemed as related persons of the Company:

(1) satisfying one of the circumstances stipulated in Article 5 or Article 6 of the Policy after the agreement or arrangement takes effect, or within the next 12 months, due to it entering into an agreement or making an arrangement with the Company or its related persons;

(2) satisfying one of the circumstances stipulated in Article 5 or Article 6 of the Policy within the past 12 months.

Article 8 According to the Hong Kong Listing Rules, save for those exceptions as provided therein, ~~related~~ connected persons of the Company typically include the following parties:

(1) a Director, Supervisor, chief executive or substantial Shareholder of the Company or any of its subsidiaries[1];

(2) any person who was a Director of the Company or any of its subsidiaries in the past 12 months;

(3) a Supervisor of the Company or any of its subsidiaries; (together with the persons in items (1) and (2) of this Article, referred to as "core ~~related~~ connected persons");

(4) an associate of any core ~~related~~ connected person [2];

[1] "Substantial Shareholder": in relation to a company, means a person who is entitled to exercise or control the exercise of 10% or more of the voting rights at any shareholders' general meeting of the company (including a holder of depositary receipts). At any time, however, a depositary shall never be regarded as a substantial Shareholder/major shareholder purely by virtue of holding shares in the issuer for the benefit of holders of depositary receipts.

[2] "Associate": in case of **the ~~related~~ connected person being an individual**, includes: (1) his/her spouse; any natural or adopted child/children or step-child/children of himself/herself (or his/her spouse) under the age of 18 ("immediate family member"); (2) a trustee having the trustee capacity of any trust of which he/she or his/her immediate family member is a beneficiary (or in the case of a discretionary trust, is a discretionary target known to the trustee) (excluding any employee share scheme or occupational retirement scheme established for the benefit of a wide class of participants, where the ~~related~~ connected person's aggregate interest in the scheme is less than 30%); or (3) a company in which he/she, his/her immediate family member(s) and/or a trustee (individually or collectively) directly or indirectly hold(s) 30% controlled interest, or any subsidiary thereof; (4) a person cohabiting with him/her as a spouse, or his/her child/children, step-child/step-children, parent(s), step-parent(s), brother(s), step-brother(s), sister(s) or step-sister(s) ("family member(s)"); or (5) a company in which his/her family member(s) (individually or collectively) directly or indirectly hold or in which his/her family member(s) together with him/her, his/her immediate family member(s) and/or a trustee hold a majority controlling interest, or any subsidiary thereof. For an issuer in China only, an associate also includes any joint venture partner in a co-operative or contractual joint venture (whether or not the joint venture is a separate legal entity) to the extent that such person (individual), his/her immediate family member(s) and/or a trustee together directly or indirectly hold 30% or more (or such other percentage as prescribed by Chinese laws that would trigger a mandatory public offer or establish legal or management control over an enterprise) of the capital contribution or assets or contractual entitlement to profits or other returns of the joint venture. If a person or his/her associate(s) separately holds less than 10% in aggregate of the equity interest in a 30% controlled company, other than through indirect holding via the listed issuer's group, such company will not be regarded as an associate of that person.

(5) a non-wholly owned subsidiary of the Company where the Company-level ~~related~~ connected persons described in items (1), (2), (3), and (4) of this Article are, individually or collectively, entitled to exercise or control the exercise of 10% or more of the voting rights at shareholders' general meetings of the non-wholly owned subsidiary (this 10% threshold excludes any indirect interest held by such ~~related~~ connected person through the Company in such subsidiary), and any subsidiary of such non-wholly owned subsidiary;

(6) other ~~related~~ connected persons as stipulated by the Hong Kong Listing Rules from time to time or identified by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange").

CHAPTER 3 RELATED PARTY/CONNECTED TRANSACTIONS

Article 9 Related party transactions as stipulated by the SZSE Listing Rules refer to matters involving the transfer of resources or obligations between the Company or its controlling subsidiaries and its related persons, specifically including, but not limited to, the following matters:

(1) purchase or disposal of assets;

(2) external investments (including entrusted financing, entrusted loans, investments in subsidiaries, etc.);

(3) provision of financial assistance;

(4) provision of guarantees;

(5) lease or rental of assets;

(6) conclusion of management contracts (including entrusting operation, entrusted operation, etc.);

(7) donating or receiving assets as a gift;

(8) creditors' rights or debt restructuring;

(9) transfer of research and development projects;

(10) conclusion of licensing agreements;

(11) purchase of raw materials, fuels and power;

In case of **the ~~related~~ connected person being a company**, the term includes: (1) its subsidiary or holding company, or a fellow subsidiary of that holding company; (2) a trustee ("trustee") having the trustee capacity of any trust of which the company is a beneficiary (or in the case of a discretionary trust, is a discretionary target known to the trustee); or (3) a company in which the company, the companies mentioned above and/or a trustee (individually or collectively) directly or indirectly hold 30% controlled interest, or any subsidiary thereof. For an issuer in China only, an associate also includes any joint venture partner in a co-operative or contractual joint venture (whether or not the joint venture is a separate legal entity) to the extent that such person, any of its subsidiaries, holding companies and/or a trustee together directly or indirectly hold 30% or more (or such other percentage as prescribed by Chinese laws that would trigger a mandatory public offer or establish legal or management control over an enterprise) of the capital contribution or assets or contractual entitlement to profits or other returns of the joint venture. If a person or its associate(s) separately holds less than 10% in aggregate of the equity interest in a 30% controlled company, other than through indirect holding via the listed issuer's group, such company will not be regarded as an associate of that person.

(12) sales of products and commodities;

(13) provision or receipt of labour services;

(14) entrusting or entrusted sales;

(15) joint investment between related parties;

(16) other matters that may result in transfer of resources or obligations under an agreement;

(17) other transactions identified by laws and regulations or the Articles of Association.

Article 10 ~~Related party~~ Connected transactions as stipulated by the Hong Kong Listing Rules refer to any transaction between the Company or its subsidiaries (as defined in the Hong Kong Listing Rules) and a ~~related~~ connected person (including one-off ~~related party~~ connected transactions and "continuing ~~related party~~ connected transactions"), or specified categories of transactions with independent third parties (as defined in Chapter 14A of the Hong Kong Listing Rules, where the transaction is for the benefit of a ~~related~~ connected person by virtue of their interest in the entity involved in the transaction, or any transaction involving the Company receiving financial assistance from "jointly held entities" or providing financial assistance to "jointly held entities").

Article 11 Pursuant to the SZSE Listing Rules, the funding transactions between the Company and its controlling shareholders and other related persons shall comply with the following provisions:

(1) For operating funding transactions between controlling shareholders and other related persons and the Company, the occupation of the Company's funds shall be strictly restricted. Controlling shareholders and other related persons shall not require the Company to advance expenses for the period, such as salaries, benefits, insurance, and advertising for them, nor shall they mutually bear costs and other expenditures;

(2) The Company shall not directly or indirectly provide funds to controlling shareholders and other related persons for use in the following ways:

1. lending the Company's funds to controlling shareholders and other related persons for use, with or without consideration;

2. entrusting controlling shareholders and other related persons to conduct investment activities;

3. providing entrusted loans to related parties through banks or non-bank financial institutions;

4. issuing commercial acceptance bills to controlling shareholders and other related persons without genuine transactions;

5. repaying debts on behalf of controlling shareholders and other related persons;

6. other ways that may cause significant adverse effects on the Company's interests.

Article 12 According to the SZSE Listing Rules, the Company shall take effective measures to prevent related persons from interfering with the Company's operation by monopolizing procurement and sales channels, etc., and harming the interests of the Company and non-related shareholders.

Article 13 According to the SZSE Listing Rules, the Company shall take effective measures to prevent the shareholders and their related parties from occupying or transferring the Company's funds, assets and other resources in various forms.

Article 14 Pursuant to the SZSE Listing Rules, the Company's directors~~, supervisors~~ and senior management members are obligated to keep informed of whether there are issues of related parties misappropriating funds or otherwise infringing upon the Company's interests. If any abnormal circumstances are identified, they shall promptly request the Board of Directors of the Company to take corresponding measures.

If the Company incurs losses or may incur losses due to related parties occupying or transferring the Company's funds, assets or other resources, the Board of Directors of the Company shall promptly take protective measures such as litigation and asset preservation to avoid or reduce such losses.

CHAPTER 4 ABSTENTION MEASURES FOR RELATEDPARTY/CONNECTED TRANSACTIONS

Article 15 When a related person/connected person of the Company enters into a related party/connected transaction agreement with the Company, any person shall only enter into such agreement on behalf of one party, and the related person/connected person shall not interfere with the Company's decision in any way.

Article 16 When a Director has a related/connected relationship with the enterprise involved in a resolution of a Board meeting, he/she shall not exercise voting rights on that resolution, nor shall he/she exercise voting rights on behalf of other directors. The Board meeting may be held if more than one half of the non-related/non-connected directors attend such meeting. Resolutions of the Board meeting shall be passed by more than one half of the non-related/non-connected directors. If the number of non-related/non-connected directors present at the Board meeting is less than three, such matter shall be put forward to a shareholders' general meeting for discussion and consideration.

Related/connected Directors referred to in the preceding paragraph include those who are under one of the following circumstances:

(1) the counterparty of a transaction;

(2) the direct or indirect controller of the counterparty of a transaction;

(3) holding a position in the counterparty of a transaction, or in any legal person or other organization that can directly or indirectly control the counterparty of a transaction, or any legal person or other organization that can be directly or indirectly controlled by the counterparty of a transaction;

(4) being a close family member of the counterparty of a transaction or its direct or indirect controller (for specific scope, please refer to the provisions of item (4) of Article 6 of the Policy);

(5) being a close family member of the counterparty of a transaction or the directors, supervisors or senior management member of its direct or indirect controller (for specific scope, please refer to the provisions of item (4) of Article 6 of the Policy);

(6) directors whose independent business judgment may be affected due to other reasons as identified by the Company.

Article 17 The abstention measures for related/connected Directors are:

(1) When matters related to a related/connected director are subject to discussion and voting at the Board meeting, the convener of the meeting shall remind the related/connected director to abstain from voting before the votes to be cast at the meeting. Such director shall report to the Board of Directors and make an abstention as required.

If there are circumstances requiring abstention but the director does not actively abstain, other directors ~~and supervisory board observers~~ may submit a request for abstention to the chairperson and explain the detailed reasons for abstention;

(2) When the Board of Directors votes on relevant related party/connected transactions, such director shall not abstain from voting and shall not be included in the quorum for this vote.

Article 18 When a shareholders' general meeting votes on related party/connected transactions, related/connected shareholders shall abstain from voting; the voting rights held by related/connected shareholders shall not be counted into the total number of shares with voting rights present at the shareholders' general meeting.

Related/connected shareholders referred to in the preceding paragraph include those shareholders below or those satisfying one of the following circumstances:

(1) the counterparty of a transaction;

(2) the direct or indirect controller of the counterparty of a transaction;

(3) directly or indirectly controlled by the counterparty of a transaction;

(4) together with the counterparty of a transaction, directly or indirectly controlled by the same legal person or natural person;

(5) being a close family member of the counterparty of a transaction or its direct or indirect controller;

(6) holding a position in the counterparty of a transaction, or in any legal entity that can directly or indirectly control the counterparty of a transaction, or any legal entity that can be directly or indirectly controlled by the counterparty of a transaction (applicable to cases where the shareholder is a natural person);

(7) a shareholder whose voting right is restricted or affected as a result of incomplete performance of any equity transfer agreement or other agreement with the counterparty of a transaction or its related person/connected person;

(8) circumstances constituting related/connected shareholders as stipulated by relevant rules of the China Securities Regulatory Commission, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange or any legal persons or natural persons as identified by the Company that may cause the Company's interests to be tilted in their favour.

Article 19 The abstention measures for related/connected shareholders are:

When related/connected shareholders consider relevant related party/connected transactions at a shareholders' general meeting, the Board of Directors of the Company and the witnessing lawyer shall, before the votes to be cast by the shareholders, remind the related/connected shareholders to abstain from voting. The related/connected shareholders shall proactively explain the circumstances to the shareholders' general meeting and explicitly state that they will abstain from voting. Where a shareholder fails to proactively explain the related/connected relationship and make an abstention, other shareholders may request him/her to explain the circumstances and make an abstention. In case that such shareholder insists on casting his/her votes, all other shareholders present at the shareholders' general meeting may vote by special resolution for approval.

Where all shareholders voting on the matter(s) are related /connected shareholders, then all shareholders may participate in the voting.

CHAPTER 5 DELIBERATION OF RELATED/CONNECTED PARTY TRANSACTIONS

SECTION 1 PROVISIONS OF THE SZSE LISTING RULES

Article 20 Related party transactions between the Company and its related persons shall be entered into by way of a written agreement, which shall become effective upon the legal representatives or their authorized representatives of both related parties signing and affixing their official seals.

Article 21 Where the Company provides guarantees for related persons, regardless of the amount, such guarantees shall be approved by the Board of Directors and then submitted to the shareholders' general meeting for deliberation.

Where the Company provides guarantees for shareholders holding less than 5% of the shares, the provisions of the preceding paragraph shall apply, and related shareholders shall abstain from voting at the shareholders' general meeting.

Article 22 Related party transactions entered into by the Company and related natural persons at a transaction amount of RMB300,000 or more (in which case the Company shall not directly or through subsidiaries provide loans to Directors~~, Supervisors~~ or senior management), or related party transactions entered into by the Company and related legal persons at a transaction amount of RMB3,000,000 or more and accounting for 0.5% or more of the absolute value of the Company's latest audited net assets, shall be approved by the Board of Directors of the Company and promptly disclosed.

The provisions of the preceding paragraph based on the principle of cumulative calculation shall apply to the following related party transactions of the Company occurring within 12 consecutive months:

(1) transactions conducted with the same related person;

(2) transactions in relation to the same subject matter conducted with different related persons.

The aforementioned same related person includes other related persons controlled by the same entity or having an equity control relationship with each other. If the relevant obligations have been fulfilled in accordance with the provisions of the first paragraph of this Article, they shall no longer be included in the relevant cumulative calculation scope.

Article 23 Related party transactions entered into between the Company and its related persons at a transaction amount of RMB30,000,000 or more (excluding cash assets received as gifts by the Company and provision of guarantees), and accounting for 5% or more of the absolute value of the Company's latest audited net assets, shall require the engagement of an intermediary qualified to carry out securities and futures-related business to evaluate or audit the subject matter of the transaction, and the transaction shall be submitted to the shareholders' general meeting for deliberation. The subject matter of daily related party transactions as described in Article 29 may not be subject to audit or evaluation.

Article 24 When the shareholders' general meeting deliberates on the aforementioned related party transactions, related shareholders shall declare in advance that the voting matter is related to them, the chairperson of the meeting shall announce the list of relevant related shareholders, and related shareholders shall abstain from voting. After the chairperson announces the total number of shares with voting rights present at the meeting for the aforementioned related party transactions and their proportion to the Company's total shares, non-related shareholders shall vote on the aforementioned related party transactions.

Article 25 The procedures for the Company to handle related party transactions are:

(1) The Chairman shall, in accordance with Article 23 of the Policy and relevant provisions of the Rules of Procedure for the Board of Directors, submit a proposal in respect of related party transactions to the Board of Directors;

(2) The Company shall engage an intermediary qualified to carry out securities and futures-related business to audit or evaluate the subject matter of the transaction (if applicable);

(3) The Board of Directors of the Company shall, in accordance with Article 24 herein, submit the proposal in respect of related party transactions to the shareholders' general meeting;

(4) Relevant departments of the Company shall submit the main documents during the performance of related party transactions to the office of the Board of Directors for filing, which shall be made available for inspection by Directors~~, Supervisors~~ and shareholders.

Article 26 If the ~~Supervisor~~ Audit Committee discovers that a decision made by the Board of Directors of the Company in respect of related party transactions harms the interests of the Company or shareholders, it may raise inquiries with the Board of Directors and report to the shareholders' general meeting.

Article 27 When related party transactions involve matters such as "provision of financial assistance" and "entrusted financing", the amount incurred shall be used as the calculation basis and cumulatively calculated by transaction category within 12 consecutive months. If the cumulatively calculated amount incurred reaches the threshold as stipulated in Articles 23 and 24, the provisions of Articles 23 and 24 shall apply.

Article 28 For daily related party transactions listed in items (11) to (14) of Article 9 conducted by the Company with related persons, the following deliberation procedures shall be performed:

(1) For daily related party transactions occurring for the first time, the Company shall enter into a written agreement with the related person, and submit the same to the Board of Directors or the shareholders' general meeting for deliberation in accordance with the provisions of Articles 23 and 24 based on the transaction amount involved in the agreement; in case that there is no transaction amount specified in the agreement, it shall be submitted to the shareholders' general meeting for deliberation.

(2) For agreements in relation to daily related party transactions approved by the Board of Directors or shareholders' general meeting of the Company and in progress of performance, if there are no significant changes to the main terms during the performance of the agreement, the Company shall disclose the actual performance of the relevant agreements as required in periodic reports and explain whether they comply with the provisions of the agreement; if there are significant changes to the main terms of the agreement in performance of the agreement or the agreement needs to be renewed upon expiry, the Company shall submit the newly revised or renewed agreements in relation to daily related party transactions to the Board or the shareholders' general meeting for deliberation in accordance with the provisions of Articles 23 and 24 based on the transaction amount involved in the agreement; in case that there is no transaction amount specified in the agreement, it shall be submitted to the shareholders' general meeting for deliberation.

(3) For a large number of daily related party transactions occurring annually, if it is difficult to submit each agreement to the Board of Directors or the shareholders' general meeting for deliberation in accordance with item (1) of this Article due to the need to frequently enter into new agreements in relation to daily related party transactions, the Company may, before the release of the report for the previous year, reasonably estimate the total amount of daily related party transactions to occur in the current year, and submit such amount to the Board of Directors or the shareholders' general meeting for deliberation in accordance with the provisions of Articles 23 and 24 based on the estimated amount; for daily related party transactions within the estimated scope, the Company shall disclose them in periodic reports. If the amount of daily related party transactions in actual performance exceeds the estimated total amount, the Company shall re-submit the same to the Board of Directors or the shareholders' general meeting for deliberation and disclosure in accordance with the provisions of Articles 23 and 24 based on the excess amount.

Article 29 An agreement in relation to daily related party transactions shall at least include major terms such as the transaction price, pricing principles and basis, total transaction volume or its determination method, and payment method.

Where there is no concrete transaction price specified in the agreement but only reference to the market price, the Company shall, when performing the relevant approval procedures in accordance with Article 29, simultaneously disclose the actual transaction price, market price and their determination methods, and the reasons for any discrepancy between the two prices.

Article 30 For the following transactions conducted by the Company with related persons, an application may be made to the Shenzhen Stock Exchange for exemption from deliberation procedures for related party transactions:

(1) one party subscribes for shares, corporate bonds or enterprise bonds, convertible corporate bonds or other derivative products publicly issued by the other party in cash;

(2) one party acts as a member of the underwriting syndicate to underwrite shares, corporate bonds or enterprise bonds, convertible corporate bonds or other derivative products publicly issued by the other party;

(3) one party receives dividends, bonuses or remuneration based on a resolution of the shareholders' general meeting of the other party;

(4) other circumstances identified by the Shenzhen Stock Exchange.

SECTION 2 PROVISIONS OF THE HONG KONG LISTING RULES

Article 31 According to the Hong Kong Listing Rules, related party transactions are divided into fully exempt ~~related party~~ connected transactions, partially exempt related party transactions, and non-exempt ~~related party~~ connected transactions, depending on the reporting, announcement, or independent shareholder approval procedures required to be performed.

(1) Fully Exempt ~~Related Party~~ Connected Transactions

Article 32 Fully exempt ~~related party~~ connected transactions refer to ~~related party~~ connected transactions that are fully exempt from compliance with independent shareholder approval, annual review, and all disclosure requirements.

Article 33 According to the Hong Kong Listing Rules, subject to relevant conditions, the following types of ~~related party~~ connected transactions are fully exempt ~~related party~~ connected transactions:

(1) Transactions meeting the de minimis thresholds[3] (Rule 14A.76 of the Hong Kong Listing Rules);

(2) Financial assistance (Rules 14A.87 to 14A.91 of the Hong Kong Listing Rules);

(3) Issuance of new securities by the Company or its subsidiaries (Rule 14A.92 of the Hong Kong Listing Rules);

(4) Dealings in securities on stock exchanges (Rule 14A.93 of the Hong Kong Listing Rules);

(5) Repurchase of securities by the Company or its subsidiaries (Rule 14A.94 of the Hong Kong Listing Rules);

(6) Directors' service contracts and insurance (Rules 14A.95 and 14A.96 of the Hong Kong Listing Rules);

(7) buying or selling of consumer goods or services (Rule 14A.97 of the Hong Kong Listing Rules);

(8) Sharing of administrative services (Rule 14A.98 of the Hong Kong Listing Rules);

(9) Transactions with associates of passive investors (Rules 14A.99 and 14A.100 of the Hong Kong Listing Rules);

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[3] "Transactions meeting the de minimis thresholds" refer to: ~~related party~~connected transactions conducted on normal commercial terms or better terms where all percentage ratios (including the asset ratio, revenue ratio, consideration ratio and equity ratio (if applicable), but excluding the profits ratio) meet one of the following thresholds (excluding the "issuance of new securities" by the Company to ~~related~~connected persons):

(1) less than 0.1%;

(2) less than 1%, and the transaction constitutes a ~~related party~~connected transaction only because it involves "~~related~~connected persons" at the "subsidiary" level; or

(3) less than 5%, and the total consideration (or in the case of "financial assistance", the total value of the "financial assistance" plus any monetary advantage to the ~~related~~connected persons or commonly held entity) is less than HK$3,000,000.

(10) Transactions with ~~related~~ connected persons at the subsidiary level (Rule 14A.101 of the Hong Kong Listing Rules);

(11) Other transactions stipulated by the Hong Kong Listing Rules.

(2) Partially Exempt ~~Related Party~~ Connected Transactions

Article 34 Partially exempt ~~related party~~ connected transactions refer to ~~related party~~ connected transactions that are exempt from complying with the approval requirements for "independent shareholders", but are subject to relevant requirements regarding reporting and announcement.

Partially exempt "one-off ~~related party~~ connected transactions" shall comply with the announcement principles in item (1) of Article 36 and the reporting principles in item (5) of Article 36.

Partially exempt "continuing ~~related party~~ connected transactions" shall comply with the announcement principles in item (1) of Article 36, the reporting principles in item (5) of Article 36, and the treatment principles for non-exempt "continuing ~~related party~~ connected transaction" in items (1) and (2) of Article 37.

Partially exempt "financial assistance" shall follow the treatment principles for partially exempt one-off ~~related party~~ connected transactions or partially exempt "continuing ~~related party~~ connected transactions", depending on whether they are one-off or continuing ~~related party~~ connected transactions.

Article 35 ~~Related party~~ Connected transactions conducted on "normal commercial terms" and meeting the following conditions are partially exempt ~~related party~~ connected transactions, and each percentage ratio (except for the profits ratio) required by the Hong Kong Listing Rules for the size test falls within one of the following thresholds:

(1) less than 5%; or

(2) equal to or above 5% but below 25%, and the total consideration (or in the case of financial assistance, the total value of financial assistance plus any monetary advantage to the ~~related~~ connected person or commonly held entity) is less than HK$10,000,000.

This Article does not apply to the "issuance of new securities" by the Company to ~~related~~ connected persons.

(3) Non-Exempt ~~Related Party~~ Connected Transactions

Article 36 Non-exempt ~~related party~~ connected transactions refer to any ~~related party~~ connected transactions that do not fall under or exceed the requirements for fully exempt and partially exempt ~~related party~~ connected transactions mentioned above, and such transactions shall be subject to the requirements for reporting, announcement and "independent shareholder" approval.

Article 37 Non-exempt one-off ~~related party~~ connected transactions shall be subject to the following treatment principles:

(1) Approval from the Board of the Company must be obtained first. After approval, the principle of publication of the announcement is as follows: an announcement will be published on the website of the Hong Kong Stock Exchange in accordance with the requirements of the Hong Kong Listing Rules to disclose the relevant information after the terms of the transaction have been agreed. The announcement shall contain the relevant content required by the Hong Kong Listing Rules from time to time.

(2) After approval by the Board and publication of the announcement, an independent financial adviser shall confirm that the ~~related party~~ connected transaction is fair and

reasonable and in the interests of the Company and all shareholders, and submit this opinion to the independent Board committee for review. The independent Board committee shall then convene a separate meeting to confirm that the ~~related party~~ connected transaction is fair and reasonable and in the interests of the Company and all shareholders. If there are dissenting opinions among the independent non-executive directors, both the majority and minority opinions shall be listed. The aforesaid opinions of the independent financial adviser and the independent Board committee shall be included in the shareholders' circular to be dispatched to shareholders.

(3) Within 15 business days after the publication of the announcement, the circular shall be dispatched to shareholders (if it exceeds 15 business days, the reason should be disclosed in accordance with the requirements of the Hong Kong Listing Rules). Before dispatching the circular to shareholders, a draft of the circular shall be submitted to the Hong Kong Stock Exchange for review, and then the circular confirmed by the Hong Kong Stock Exchange to comply with the Listing Rules shall be dispatched to shareholders. The circular shall be available in both Chinese and English versions; any amendment or supplement to circulars and/or provision of relevant information should be dispatched to shareholders no less than 10 business days before the shareholders' general meeting.

(4) Submission of the ~~related party~~ connected transaction to the shareholders' general meeting for consideration. The ~~related party~~ connected transaction is subject to the approval by the shareholders' general meeting. At such shareholders' general meeting, ~~related~~ connected persons with a material interest must abstain from voting. A statement regarding the abstention from voting by ~~related~~ connected persons with a material interest shall be included in the shareholders' circular to be dispatched to shareholders. "Independent shareholder" approval shall be conducted by way of poll. The Company shall publish an announcement of the poll results on the same day or before market opening on the first business day after the meeting.

(5) Reporting. The principles of treatment are as follows: disclosure of details of the transaction as stipulated by the Hong Kong Listing Rules from time to time in the first annual report and accounts after the ~~related party~~ connected transaction.

Article 38 Non-exempt "continuing ~~related party~~ connected transactions" shall be dealt with on the following principles:

(1) A "maximum annual cap" shall be set in respect of each ~~related party~~ connected transaction and its calculation basis shall be disclosed.

(2) A written agreement shall be entered into with the ~~related~~ connected person for each ~~related party~~ connected transaction. The content of the agreement shall reflect "normal commercial terms" and list the basis for calculating payment amounts. The term of the agreement shall be fixed and shall not exceed three years. Where the nature of the transaction requires the agreement to have a duration longer than three years, it is required to obtain a confirmation in writing from the independent financial adviser.

(3) Reporting, announcement, and "independent shareholder" approval shall be performed, and approval shall be obtained in accordance with the Company's internal authorization procedures.

(4) Relevant provisions of the Policy regarding the annual review of continuing ~~related party~~ connected transactions shall be complied with.

(5) If the Company has entered into an agreement involving continuing transactions, and such transactions subsequently become continuing ~~related party~~ connected transactions

(for any reason, e.g., one of the parties to the transactions becomes a director of the Company), the Company shall, upon becoming aware of any modification or update, fully comply with all applicable reporting, announcement, and "independent shareholder" approval requirements of Chapter 14A of the Hong Kong Listing Rules for all continuing ~~related party~~ connected transactions that become effective after such modification or update occurs.

(6) For any continuing ~~related party~~ connected transactions, the Company must re-comply with the reporting, announcement, and "independent shareholder" approval procedures stipulated in the Policy in the following circumstances:

a. if the cap determined in Article 15 is exceeded; or

b. when the relevant agreement is renewed or there is a material amendment to the terms of the agreement.

CHAPTER 6 PRICE DETERMINATION OF RELATED/CONNECTED PARTY TRANSACTIONS

Article 39 The price of a related party/connected transaction refers to the transaction price for the provision of products or services under the related party/connected transaction entered into between the Company and the related parties/connected persons. When conducting a related party/connected transaction, the Company shall enter into a written agreement which specifies the pricing policy of the related party/connected transaction. During the course of conducting a related party/connected transaction, where there is any material change in major terms of the agreement such as the transaction price, the Company shall perform the approval procedure again based on the amended transaction price.

Article 40 Pricing Principles and Methods

(1) for transactions where the price of which is determined by the government, such price may apply directly;

(2) for transactions where the price of which is guided by the government, the transaction price may be reasonably determined within the price range guided by the government;

(3) in addition to being determined or guided by the government, the transaction price may be determined by first making reference to comparable market prices or pricing standards of independent third parties if such prices or standards are available for the transaction;

(4) for related party/connected transactions without comparable market prices available from independent third parties, the transaction price may be determined with reference to the price of a non-related/non-connected transaction entered into between the related parties/connected persons and third parties independent of such related parties/connected persons;

(5) if no market prices of independent third parties or prices of independent non-related/non-connected transactions are available for reference, prices may be constructed on reasonable pricing basis, i.e. reasonable costs plus reasonable profits.

The parties to the transaction shall determine the pricing methods based on the specific circumstances of the related party/connected transactions and clearly specify them in the relevant related party/connected transaction agreements.

Article 41 Where the price of a related party/connected transaction cannot be determined by the aforementioned principles and methods, the Company shall disclose the principle under which the

price of such related party/connected transaction is determined and the underlying method, and explain the fairness of such price determination.

The independent financial adviser engaged by the Company shall express an opinion on whether the pricing of material related party/connected transactions is fair and reasonable.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 42 If a certain transaction constitutes the ~~related party~~ connected transactions both under the SZSE Listing Rules and Chapter 14A of the Hong Kong Listing Rules, the provisions of the Policy shall apply based on the stricter requirement; if a certain transaction constitutes the ~~related party~~ connected transactions only under the SZSE Listing Rules or only under Chapter 14A of the Hong Kong Listing Rules, the relevant provisions of the Policy shall apply.

Article 43 In the Policy, the term "above" shall include the number itself.

Article 44 The Policy shall become effective upon approval by the shareholder's general meeting of the Company.

~~**Article 44** Unless the context otherwise requires, the terms "related" and "related person" as referred to in the Policy shall have the same meaning as "connected" and "connected person" as referred to in the Hong Kong Listing Rules.~~

~~**Article 45** The Policy shall become effective upon approval by the general meeting of the Company.~~

Article 45 ~~**Article 46**~~ The Board of Directors shall be responsible for the interpretation and amendment of the Policy.

Article 46 ~~**Article 47**~~ Matters not covered herein shall be implemented in accordance with the relevant laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed and the Articles of Association. In the event of any conflict between the Policy and any laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed or the Articles of Association as amended through legal procedures, the provisions of such laws, regulations, normative documents, the listing rules of the place where the Company's shares are listed and the Articles of Association shall prevail, and the Policy shall be timely revised.

The proposed amendments to the Administrative Measures for the Use of Proceeds are as follows:

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to standardize the management and application of the proceeds from capital raising activities by Asymchem Laboratories (Tianjin) Co., Ltd. (hereafter referred to as "the Company"), protect the interests of investors and improve the use efficiency of proceeds from capital raising activities, in accordance with the Company Law of the People's Republic of China (hereafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereafter referred to as the "Securities Law"), the Administrative Measures for the Issuance of Securities by Listed Companies, the Listing Rules of the Shenzhen Stock Exchange (hereafter referred to as the "Listing Rules"), the ~~Guidelines for Standardized Operations~~ Rules on the Regulation of Proceeds from Capital Raising Activities by Listed Companies ~~of the Shenzhen Stock Exchange~~ (hereafter referred to as the "Regulatory Rules"), the Self-regulatory Guidelines No. 1 for the Companies Listed on the Shenzhen Stock Exchange– Standardized Operation Guidelines of Main Board Listed Companies (hereafter referred to as the "Regulatory Guidelines"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereafter referred to as the "Hong Kong Listing Rules") and other relevant laws, regulations, and normative documents, as well as the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd., this system is formulated.

Article 2 For the purpose of this system, the proceeds from capital raising activities shall refer to the proceeds from capital raising activities from investors by the Company through public offerings of securities (including initial public offering of shares, rights issue, additional issuance, issuance of convertible corporate bonds, issuance of convertible corporate bonds for divestiture and issuance of warrants, etc.) and through non-public offering of shares, which are intended for specific purposes.

Article 3 Where the investment projects funded by the proceeds are implemented through the Company's subsidiaries or other enterprises controlled by the Company, the Company shall ensure that such subsidiaries or other enterprises controlled by the Company comply with this system.

Article 4 The use of proceeds shall adhere to the principle of compliance with laws and regulations and seeking for benefits, and shall be carefully planned and operated in a pragmatic and standard way. It is required to seize proper investment opportunities, follow up with progress of investment and deal with properly the relationship between investment amount, input and output and investment returns in order to control investment risks.

Article 5 The Company shall, in accordance with the provisions of the *Company Law,* the *Securities Law,* the *Listing Rules,* the *Hong Kong Listing Rules,* the ~~Standardized Operation~~ Regulatory *Guidelines*, the Regulatory Rules and other laws, regulations and normative documents, disclose the use of the proceeds from capital raising activities in a truthful, accurate, complete and timely manner, and fulfil its information disclosure obligations. In the event of any circumstance that may seriously affect the normal implementation of the investment plan for the proceeds from capital raising activities, the Company shall make an announcement in a timely manner in accordance with the listing rules of the place where the shares of the Company are listed.

Article 6 Where the proceeds from capital raising activities are not used in accordance with the prescribed requirements or the use of the proceeds from capital raising activities is changed without completing the statutory approval procedures, resulting in losses to the Company, the responsible persons shall bear legal liabilities, including but not limited to civil compensation, in accordance with the laws and regulations.

CHAPTER 2 SPECIAL ACCOUNT FOR THE DEPOSIT OF PROCEEDS FROM CAPITAL RAISING ACTIVITIES

Article 7 The Company shall prudently select a commercial bank and open a special account for the proceeds from capital raising activities (hereafter referred to as the "Special Account"). The proceeds from capital raising activities shall be deposited and managed and used centrally in the Special Account determined by the Board of Directors. The Special Account shall not be used to hold non-proceeds from capital raising activities or be used for other purposes. Funds required for the same investment project shall be deposited in the same Special Account.

The number of Special Accounts (including those established by the subsidiaries of the Company or such other entities controlled by the Company) shall, in principle, not exceed the number of investment project for the proceeds from capital raising activities.

If the Company has more than two rounds of financing, separate Special Accounts shall be set up for each round of fundraising.

The excess of the actual net proceeds from capital raising activities over the amount of the funds planned to be raised (hereafter referred to as the "Additional Proceeds") shall also be deposited into the Special Account for management.

The deposit of the Company's proceeds from capital raising activities shall adhere to the principles of security and ease of supervision and management. Banks selected for opening and maintaining such deposits shall have sound credit standing and strict and standardised management.

After the proceeds from capital raising activities are in place, the finance department shall complete the capital verification procedures, and an accounting firm with securities qualifications shall issue a capital verification report thereon.

Article 8 The Company shall enter into a tripartite supervision agreement relating to the Special Accounts for Proceeds from capital raising activities (hereafter referred to as the "Agreement") with the sponsor or the independent financial advisor and the commercial bank (hereafter referred to as the "Commercial Bank") to which the proceeds from capital raising activities are deposited within one month after the proceeds from capital raising activities are in place. The Agreement shall at least include the followings:

(I) The Company shall concentrate the proceeds from capital raising activities in the Special Account;

(II) The account number of the Special Account, and the proceeds from capital raising activities and the deposited amount involved the Special Account;

(III) If the amount withdrawn from the Special Account by the Company exceeds RMB50 million or 20% of the net proceeds from capital raising activities within a single withdrawal or within a 12-month cumulative period, the Company and the Commercial Bank shall promptly notify the sponsor or independent financial advisor;

(IV) The Commercial Bank shall provide the Company with a bank statement every month and send a copy to the sponsor or independent financial advisor;

(V) The sponsor or independent financial advisor may, at any time, inquire about the Special Account information at the Commercial Bank;

(VI) The supervisory duties of the sponsor or independent financial advisor, the notification and cooperation responsibilities of the Commercial Bank, and the supervision methods by the sponsor or independent financial advisor and Commercial Bank regarding the use of the Company's proceeds from capital raising activities;

(VII) The rights, obligations, and breach of contract responsibilities of the Company, Commercial Bank, sponsor, or independent financial advisor;

(VIII) If the Commercial Bank fails to issue bank statements or notify the sponsor or independent financial advisor of significant withdrawals from the Special Account on three occasions, or fails to cooperate with the sponsor or independent financial advisor in querying or investigating the Special Account information, the Company may terminate the Agreement and close the Special Account.

The Company and its sponsor or independent financial adviser, as well as Commercial Bank, may agree on supervisory requirements in the Agreement that are more stringent than those set out above.

The Company shall promptly report to the stock exchange where the shares of the Company are listed for filing and announce the main contents of the Agreement after it is signed.

If the Company implements the fundraising investment projects through its controlling subsidiaries, a tripartite supervision agreement shall be signed by the Company, the controlling subsidiary implementing the fundraising investment projects, the Commercial Bank, and the sponsor or independent financial advisor, with the Company and the subsidiary jointly considered as one party.

If the above Agreement is terminated due to the change of the sponsor, the independent financial advisor or the Commercial Bank before the expiry of its term, the Company shall enter into a new agreement with the relevant parties within one month from the date of termination of the Agreement, and promptly make announcement after reporting to the stock exchange where the shares of the Company are listed for filing.

Article 9 The Company shall actively urge the Commercial Bank to perform the Agreement. If the Commercial Bank fails to timely issue a reconciliation statement to the sponsor or the independent financial advisor or notify the material withdrawal of the Special Account for three times, and fails in circumstances of cooperating with the sponsor in access to and investigation of the information of the Special Account, the Company may terminate the Agreement and cancel such Special Account. In case of the Company's slacking off in supervision or impeding the Commercial Bank from fulfilling the Agreement, the sponsor or the independent financial advisor shall immediately report it to the stock exchange where the shares of the Company are listed after being informed of the relevant events.

~~CHAPTER 3 USE OF PROCEEDS FROM CAPITAL RAISING ACTIVITIES~~

Article 10 ~~Companies should use the proceeds from the offering in accordance with the investment plan committed in the offering application documents. If there are circumstances that seriously affect the normal progress of the investment plan for the raised funds, the company should promptly report to the stock exchange where its shares are listed and make an announcement.~~ Where the proceeds from capital raising activities are used in overseas projects, the Company and its sponsor shall also take effective measures to ensure the security and proper use of the proceeds from capital raising activities used in overseas projects, and disclose the relevant specific measures and actual results in the Special Report on the Deposit, Management and Actual Use of Proceeds from Capital Raising Activities.

CHAPTER 3 USE OF PROCEEDS FROM CAPITAL RAISING ACTIVITIES

Article 11 The Company shall use the proceeds from capital raising activities in accordance with the purposes listed in the public offering documents and shall not change the way of use without authorization.

Article 12 ~~Article 11 Unless otherwise provided by national laws, regulations, or regulatory documents, the Company shall not utilize the proceeds from the offering for financial investments, including but not limited to, holding trading financial assets or available-for-sale financial assets, lending to others, or wealth management.~~ In principle, proceeds from capital raising activities should be used for the Company's main business activities. Apart from financial enterprises, proceeds from capital raising activities may not be used for high-risk investments such as securities investments, derivative transactions, or providing financial assistance to others. Additionally, proceeds from capital raising activities may not be directly or indirectly invested in companies whose main business involves the buying and selling of securities.

The Company shall not use proceeds from capital raising activities for pledge, entrusted loans, or other investments that would effectively alter the intended use of the proceeds from capital raising activities.

Article 13 ~~**Article 12**~~ The Company shall ensure the authenticity and fairness of the use of proceeds from capital raising activities, preventing the occupation or misappropriation of funds by the controlling shareholders, actual controllers, or other related persons. The Company shall adopt effective measures to prevent the above-mentioned personnel from using the proceeds from capital raising activities to gain improper benefits through investment projects.

Where the Company discovers that its controlling shareholder, de facto controller or other related persons have misappropriated the proceeds from capital raising activities, it shall promptly demand the return of such funds from the fund occupying party, and disclose the cause of the misappropriation, its impact on the Company, the rectification and repayment plan, and the progress of such rectification. The Board shall pursue the legal liability of the relevant parties in accordance with the law.

Article 14 ~~**Article 13**~~ Investment projects funded by the proceeds from capital raising activities shall be implemented strictly in accordance with the schedule approved by the Board. The implementing departments shall refine the specific work schedule to ensure that all tasks are completed as planned.

If unforeseeable objective factors arise that seriously affect the normal implementation of the investment plan for the proceeds from capital raising activities, the project implementation department must promptly report the actual situation and provide detailed explanations to the Chief Executive Officer (CEO) and the Board of Directors. The Company shall, based on the actual circumstances, report to the stock exchange where the shares of the Company are listed and make an announcement accordingly.

Article 15 ~~**Article 14**~~ When utilising the proceeds from capital raising activities, the Company shall strictly comply with the required application and approval procedures in accordance with the Company's regulations on the approval of fund usage. Any usage that exceeds the scope of the authorization of the Board of Directors shall be submitted to the Board of Directors for approval. The Board of Directors of the Company shall conduct a comprehensive review of the progress of projects funded by the proceeds from capital raising activities at the end of each financial year and issue semi-annual and annual special reports on the deposit, management and use of the proceeds from capital raising activities, which shall be disclosed together with the regular reports until all the proceeds have been fully utilised and no more proceeds from capital raising activities have been used during the reporting period.

If the investment project funded by the proceeds from capital raising activities is not expected to be completed within the original timeframe and the Company intends to postpone its implementation,

such postponement shall be promptly submitted to the Board of Directors for consideration and approval, and the sponsor shall provide a clear opinion. The Company shall promptly disclose the specific reasons for the delay, explain the current deposit and accounting status of the proceeds from capital raising activities, whether there are circumstances affecting the normal progress of the utilisation plan, the expected completion time and phased investment plan, and the measures to ensure timely completion after the postponement.

If there is a discrepancy between the actual investment progress of the fundraising investment project and the investment plan, the Company shall explain the specific reasons. If the difference between the actual usage of proceeds from capital raising activities for the investment project in the year and the estimated usage amount in the previously disclosed fundraising investment plan in that year exceeds 30%, the Company shall adjust the fundraising investment plan and disclose the following in the special report on the deposit and usage of proceeds from capital raising activities and the periodic report: the previous annual fundraising investment plan, the current actual investment progress, the adjusted estimated annual investment plan, and the reasons for the changes in the investment plan.

Article 16 ~~**Article 15** The use of raised funds shall be organized and implemented in accordance with the fund utilization plan and progress committed in the prospectus.~~ Where any of the following circumstances occur to the fundraising investment plan, the Company shall promptly ~~review~~ re-evaluate the feasibility and expected return of such project, and decide whether to proceed with the implementation of the project~~. Furthermore, the company shall disclose the project's progress, the reasons for any anomalies, and the adjusted raised fund investment plan (if applicable) in the most recent periodic report~~:

(I) where the market environment in relation to the fundraising investment plan has undergone material changes;

(II) where the fundraising investment plan has been put on hold for over 1 year after the proceeds from capital raising activities are in place;

(III) where the deadline of the fundraising investment plan ~~of last time~~ has expired and the amount of proceeds from capital raising activities invested has not reached 50% of the amount as set out in the relevant plan;

(IV) where other abnormal situations occur in relation to ~~other~~ the fundraising investment plan.

If the Company is involved in the circumstances specified in the preceding paragraph, it shall promptly disclose them. If it is necessary to adjust the investment plan for the proceeds from capital raising activities, the adjusted investment plan for the proceeds from capital raising activities shall be disclosed simultaneously. If it involves a change in the investment project funded by the proceeds from capital raising activities, the relevant deliberation procedures for changing the use of the proceeds from capital raising activities shall apply.

The Company shall disclose the specific details of the re-evaluation of the investment project funded by the proceeds from capital raising activities~~, the reasons for any anomalies, and the adjusted raised fund investment plan (if applicable)~~ during the reporting period in its latest periodic report.

Article 17 ~~**Article 16**~~ In case the Company decides to terminate any original investment project financed by proceeds from capital raising activities, it shall scientifically select a new investment project as soon as possible.

Article 18 ~~**Article 17**~~ Where the Company has used ~~raised~~ self-raised funds in advance to ~~replaces~~ invest~~ed~~ in projects financed by proceeds from capital raising activities, and subsequently replaces such self-raised funds with proceeds from capital raising activities upon receipt thereof, such

replacement shall be completed within six months from the date the proceeds from capital raising activities are transferred into the Special Account.

In principle, projects funded by proceeds shall be paid directly using such proceeds from capital raising activities during implementation. If there are real difficulties in using the proceeds from capital raising activities for direct payment in matters such as paying staff salaries and purchasing overseas products and equipment, replacement can be implemented within six months after payment with self-raised funds.

The replacement of funds shall be subject to approval by the Board of Directors of the Company, with ~~an assurance report issued by an accounting firm, and independent non-executive directors, the board of supervisors,~~ an explicit ~~consent~~ opinion ~~and implementation~~ issued by the sponsor, and the Company shall promptly disclose the relevant information ~~before the replacement can be implemented. The replacement should occur no more than six months from the date the raised funds are received~~.

~~If the company has disclosed in its offering application documents its intention to use raised funds to replace self-raised funds already invested, and the amount of the pre-investment is confirmed, it must issue an announcement prior to the implementation of such replacement.~~

Article 19 ~~**Article 18**~~ If the Company is to change the location of the fundraising investment plan, the change shall be deliberated and approved by the Board of Directors and will make an announcement within 2 trading days. The announcement shall state the change, the causes thereof, the impact on the implementation of the fundraising investment plan and the opinion issued by the sponsor or independent financial advisor on the change.

Article 20 ~~**Article 19**~~ If the Company intends to change the implementation of the investment project to joint venture, it shall consider carefully the necessity of the joint venture on the basis of a full understanding of the basic situation of the joint venture party, and the Company shall hold a controlling stake to ensure effective control over the investment project.

Article 21 ~~**Article 20**~~ The portion of the actual net proceeds from capital raising activities by the Company from capital raising activities that exceeds the planned amount of proceeds from capital raising activities shall constitute Additional Proceeds. Before actually using any Additional Proceeds, the Company shall complete the corresponding approval procedures of Board of Directors or the general meeting and make timely disclosures.

The Company shall, based on its development plan and actual operational needs, properly arrange the use plan for Additional Proceeds ~~no later than six months after the raised funds are received. This plan must be submitted to the board of directors for approval and promptly disclosed thereafter~~. Additional Proceeds shall be used for projects under construction, and new projects, as well as for the repurchase and lawful cancellation of the Company's shares. The Company shall, at the latest, determine the specific use plan for Additional Proceeds at the time of the overall completion of the same batch of fundraising investment projects, and shall allocate and utilize the funds according to the plan. The use of Additional Proceeds shall be resolved by the Board of Directors in accordance with the law, the sponsor shall express a clear opinion, and submit the same to the general meeting for consideration. The Company shall promptly and fully disclose the necessity and rationality of using Additional Proceeds and other relevant information. When the Company uses Additional Proceeds to invest in projects under construction and new projects, it shall also fully disclose the construction plan, investment cycle, rate of return and other information of the relevant projects.

Where ~~independent non-executive directors, sponsor or independent financial counsels consider the plan~~ it is indeed necessary to use temporarily idle Additional Proceeds for cash management or to temporarily supplement working capital, the necessity and reasonableness ~~and necessity~~ of such use shall be explained. If the Company uses temporarily idle Additional Proceeds for cash management or to temporarily supplement working capital, the amount, duration, and other relevant matters shall be subject to approval by the Board of Directors of the Company, and the sponsor

shall issue an ~~independent~~ clear opinion. The Company shall ~~simultaneously~~ promptly disclose ~~with the relevant announcement of the listed company~~ the relevant information. For temporary replenishment of working capital, it shall be implemented through a special account for proceeds from capital raising activities.

Article 22 ~~**Article 21**~~ After the completion of a single or all investment projects financed by proceeds, if the Company intends to use a small remaining balance of the proceeds for other purposes, it shall complete the following procedures:

(I) independent non-executive directors expressing their independent opinions with explicit consent;

(II) the sponsor or independent financial adviser expressing its opinions with explicit consent;

(III) consideration and approval by the Board of Directors.

Article 23 ~~**Article 22**~~ In order to avoid the idleness of proceeds from capital raising activities and exploit the efficiency of its utilization, and on the premise of ensuring the implementation of the investment projects funded by the proceeds from capital raising activities, the proceeds from capital raising activities may be temporarily used to supplement working capital.

The Company may temporarily use idle proceeds from capital raising activities to supplement working capital, but only for production and operational purposes related to its principal business and subject to the following conditions:

(I) it shall not change the use of proceeds from capital raising activities in disguise or affect the normal progress of the fundraising investment plan;

(II) previously used proceeds from capital raising activities for temporarily supplementing working capital have been repaid;

(III) the duration for each temporary working capital supplementation shall not exceed twelve months;

(IV) idle proceeds from capital raising activities shall not be used directly or indirectly for high-risk investments such as securities investment, derivatives trading, etc.

The above matters shall be considered and approved by the Board of Directors of the Company, and shall be reported to the stock exchange where the shares of the Company are listed and shall be announced within two trading days.

Article 24 ~~**Article 23**~~ When idle proceeds from capital raising activities are used to supplement working capital, they shall not be used directly or indirectly for the placement or subscription of new shares, nor for investment in stocks and their derivatives, convertible corporate bonds, or similar instruments.

If the amount of idle proceeds from capital raising activities used to supplement working capital exceeds 10% of proceeds from capital raising activities, such supplement shall be subject to approval by the general meeting and an online voting mechanism shall be provided. The independent non-executive directors and the sponsor or independent financial adviser shall each issue separate opinions and make disclosures accordingly.

Article 25 ~~**Article 24**~~ Where the Company uses idle proceeds from capital raising activities to supplement working capital, it shall disclose the following information:

(I) basic information on proceeds from capital raising activities, including the time, amount and investment plans thereof;

(II) the use of proceeds from capital raising activities;

(III) the amount and duration of the idle proceeds from capital raising activities to be used to supplement working capital;

(IV) the amount of expected financial costs to be saved by using idle proceeds from capital raising activities to supplement working capital, the reasons for any shortfall in working capital, whether there is any disguised change in the intended use of the proceeds, and the measures in place to ensure that the normal progress of the projects funded by proceeds from capital raising activities is not affected;

(V) the Company's engagement in risk investments within the twelve months prior to using idle proceeds from capital raising activities to supplement working capital, and the relevant undertakings that during the period of supplementing working capital, the Company will not conduct risk investments or provide financial assistance to any party other than its controlling subsidiaries;

(VI) opinions issued by the independent non-executive directors~~, supervisors~~ and the sponsor or independent financial adviser;

(VII) any other information as required by the stock exchange.

Before the due date of the working capital supplementation, the Company shall return the relevant funds to the Special Account for proceeds from capital raising activities, and shall report to the stock exchange where shares of the Company are listed and make an announcement within two trading days after all funds have been returned.

Article 26 ~~**Article 25**~~ Where the Company ~~can~~ uses temporarily idle proceeds from capital raising activities for cash management, ~~the term of the investment product shall not exceed twelve months, and~~ such ~~of~~ cash management ~~investment~~ shall be conducted through the Special Account for proceeds from capital raising activities or a publicly disclosed product-specific settlement account. Where a product-specific settlement account is used, the account shall not be used to hold funds irrelevant to proceeds from capital raising activities or for any other purpose. The implementation of cash management shall not affect the normal progress of the fundraising investment plan.

Cash management products ~~must~~ shall meet the following conditions:

(I) They shall be highly secure products such as structured deposits or large-denomination certificates of deposit, and shall ~~satisfy the requirement of~~ not be non-principal-guaranteed products~~, which means the product issuer can provide principal protection commitment~~;

(II) They shall have good liquidity, ~~not affecting the normal progress of fundraising investment plan~~ with a term not exceeding twelve months;

(III) The cash management ~~Investment~~ products shall not be pledged. ~~The product-specific settlement account (if applicable) must not hold non-raised funds or be used for other purposes. If a product-specific settlement account is opened or closed, the listed company shall promptly report it to the exchange for filing and make an announcement.~~

Where the Company uses temporarily idle proceeds from capital raising activities for ~~investment products~~ cash management, such use shall be subject to approval by the ~~Company's~~ Board of Directors, ~~independent non-executive directors, Board of supervisors,~~ and the sponsor ~~or independent financial counsel~~ shall issue a clear ~~consent~~ opinion. The Company shall ~~announce within two trading days after the Board of Directors' meeting,~~ promptly disclose the following ~~content~~ information:

(I) basic information on the proceeds from capital raising activities, including fundraising date, amount of proceeds from capital raising activities, net proceeds from capital raising activities, and investment plan;

(II) the use of proceeds from capital raising activities and the reasons for the idle funds;

(III) the amount and term of the ~~idle raised funds investment products~~ cash management, whether there is any disguised change in the intended use of the proceeds from capital raising activities, and the measures in place to ensure that the normal progress of the projects funded by proceeds from capital raising activities is not affected.

(IV) the income distribution method of the investment products, the investment scope, any principal guarantee commitment and the safety analysis provided by the product issuer, and the risk control measures taken by the Company to ensure the safety of the funds;

(V) opinions from the ~~independent non-executive directors, supervisors,~~ sponsor ~~or independent financial counsel~~.

Article 27 Where the Company uses temporarily idle proceeds from capital raising activities for cash management and circumstances arise that may harm the interests of the Company and its investors, the Company shall promptly disclose the relevant situation and the proposed countermeasures.

CHAPTER 4 CHANGE OF USE OF PROCEEDS FROM CAPITAL RAISING ACTIVITIES

Article 28 If any of the following circumstances occur, it shall be deemed a change in the use of proceeds from capital raising activities. In such case, the Board of Directors shall lawfully make a resolution, the sponsor shall issue a clear opinion, and the same shall be submitted to the general meeting for consideration. The Company shall promptly disclose the relevant information.

(I) Cancelling or terminating the original investment projects funded by the proceeds from capital raising activities and implementing a new project or permanently supplement working capital;

(II) Changing the entity for the implementation of the investment projects funded by the proceeds from capital raising activities;

(III) Changing the implementation method of the investment projects funded by the proceeds from capital raising activities;

(IV) Other circumstances as recognized by the CSRC.

In case the Company is in the circumstance specified in item (I) of the preceding paragraph, the sponsor shall, in combination with the previously disclosed documents related to proceeds from capital raising activities, specifically explain the main reasons for the changes in the investment projects funded by the proceeds from capital raising activities and the rationality of the previous sponsor opinions.

~~**Article 26** Should the Company, in the course of implementing a project funded by proceeds, determine that a change in the investment environment and conditions for the project has occurred due to market or other factors, leading to a significant variance from the anticipated returns or an excessively long return period upon project completion, and therefore necessitates a change in the use of proceeds, such change shall only be effected after deliberation by the Board of Directors and approval by the general meeting of Shareholders. The Board of Directors shall prudently conduct a feasibility analysis of the proposed new investment project for the proceeds, ensuring that the investment project possesses favorable market prospects and profitability, effectively preventing investment risks, and enhancing the efficiency of the use of proceeds.~~ If the entity for the implementation of the investment projects funded by the proceeds from capital raising activities is changed among the Company and its wholly-owned subsidiaries, or only the implementation location of the investment projects funded by the proceeds is changed, it shall not be deemed as a change in the use of proceeds from capital raising activities. Relevant changes shall be resolved by the Board of Directors, and there is no need to go through the consideration procedure of the general meeting. The sponsor shall express a clear opinion, and the Company shall disclose relevant information in a timely manner.

~~Any change in the implementation method of a proceeds-funded project, such as a change in the implementing entity or the method of significant asset acquisition, shall be deemed a change in the use of proceeds.~~

Where the proceeds from capital raising activities used by the Company in accordance with Articles 23, 24, 25, and 26 of this System exceed the amount, duration, or other limits determined by the Board of Directors through its approval procedures, and where the circumstances are serious, such use shall be deemed an unauthorized change in the use of proceeds from capital raising activities.

Article 29 ~~**Article 27**~~ The proceeds from capital raising activities, after the change in their intended use, shall be invested in the principal business of the Company.

Article 30 ~~**Article 28**~~ If the Company intends to change the intended use of proceeds from capital raising activities, it shall report to the stock exchange where shares of the Company are listed in accordance with the listing rules of the place where shares of the Company are listed within two trading days after submission to the Board of Directors for consideration, and shall announce the following information:

(I) basic information on the original project and the specific reasons for the change;

(II) basic information, feasibility analysis, economic benefits analysis, and risk warning on the new project;

(III) investment plan for the new project;

(IV) a statement that any approval from relevant authorities for the new project has been received or pending (if applicable);

(V) opinions of the independent non-executive directors, ~~the Board of supervisors,~~ the sponsor or independent financial adviser on the change in the use of proceeds from capital raising activities;

(VI) a statement that the change in the investment projects funded by the proceeds from capital raising activities is subject to consideration by the general meeting;

(VII) any other information as required by the stock exchange where the shares of the Company are listed.

In respect of any new project involving asset acquisition or external investment, the Company shall make disclosures as required by the relevant rules.

Article 31 ~~**Article 29**~~ Where the Company finances asset or equity interest acquisition of individuals, legal persons or other organisations and their related parties with actual control over the Company with the proceeds from capital raising activities, the following provisions shall be followed:

(I) In principle, the acquisition shall effectively avoid peer competition, or reduce the continuing related party transactions after the acquisition, or facilitate the expansion of new businesses by the Company, provided that it shall be conducive to the long term development of the Company and may effectively protect the interests of minority investors;

(II) The Company shall disclose the reasons for transactions with controlling shareholders or de facto controllers, the pricing policies and basis of the related party transactions, the impact of such transactions on the ~~listed~~ Company and the measures to resolve the relevant issues;

(III) The relevant provisions on decision making and disclosure of related party transactions under the Listing Rules and the Hong Kong Listing Rules;

(IV) Relevant provisions on decision making and disclosure of related party transactions under relevant systems such as the System for the Administration and Decision-Making on Related Party Transactions, and the Management Measures for Information Disclosure of the Company.

Article 32 ~~**Article 30**~~ When conducting refinancing, the Company shall follow effective investment decision-making procedures and submit the refinancing plan, including the investment projects, fund raising, and fund utilization plan, to the general meeting for consideration.

(I) When selecting investment projects, the Company shall conduct sufficient demonstration and actively seek the opinions of the independent non-executive directors.

(II) During discussions, the Board of Directors shall give play to the role of independent non-executive directors and respect their opinions.

Article 33 ~~**Article 31**~~ Where the Additional Proceeds of the Company reach or exceed 20% of the planned net proceeds, the Additional Proceeds shall be used in a planned manner according to the actual production and operational needs of the enterprise, and in the following order of priority:

(I) making up the shortfall in the funds used to finance the fundraising investment projects;

(II) financing projects in construction and new projects;

(III) repaying bank loans;

(IV) temporarily making up working capital;

(V) conducting cash management;

(VI) permanently making up working capital.

The Additional Proceeds shall be deposited in Special Account for proceeds from capital raising activities before use.

Where the Company uses the Additional Proceeds for projects under construction and new projects, such funds shall be applied according to the progress of such projects. If the projects are implemented through subsidiaries, a Special Account for proceeds from capital raising activities shall be established at the subsidiary level for the management of such funds. If the Additional Proceeds are

used solely for a capital increase in a subsidiary, this shall be conducted with reference to the relevant provisions on the repayment of bank loans or the supplementation of working capital by using the Additional Proceeds.

Where the Company uses the Additional Proceeds for projects under construction and new projects, such use shall be submitted to the Board of Directors for consideration, and the sponsor or independent financial adviser, as well as the independent non-executive directors, shall issue special opinions. If the project involves related party transactions, asset purchases, external investments, or similar matters, the relevant approval procedures and information disclosure obligations shall also be conducted and fulfilled under Chapter ~~9~~6 and Chapter ~~10~~7 of the Listing Rules and the relevant provisions of the Hong Kong Listing Rules.

Article 34 ~~**Article 32**~~ The Additional Proceeds may be used for permanent replenishment of working capital or repayment of bank loans, but the aggregated amount used within each 12 months may not exceed 30% of the total amount of the Additional Proceeds.

The use of the Additional Proceeds to permanently supplement working capital or to repay bank loans shall be subject to approval by the general meeting, and an online voting mechanism shall be provided. The independent non-executive directors and the sponsor or independent financial adviser shall issue clear consent opinions and make relevant disclosures, and the following requirements shall be met:

(I) The Company shall commit not to engage in securities investments, derivative transactions, or other high-risk investments, nor provide financial assistance to entities other than controlling subsidiaries within twelve months after supplementing working capital, and disclose the same externally;

(II) The Company shall repay bank loans or supplement working capital according to actual needs, but the aggregated amount used within each 12 months may not exceed 30% of the total amount of the Additional Proceeds.

Where the ~~listed~~ Company intends to change the use of proceeds from capital raising activities to permanently supplement the working capital due to the termination of some of the projects funded by proceeds from capital raising activities or the emergence of surplus funds after the completion of some of the projects funded by proceeds from capital raising activities, this Article shall apply.

Before the completion of all projects funded by proceeds from capital raising activities, if the Company intends to change the use of part of the proceeds from capital raising activities to permanently supplement the working capital, and the amount to be supplemented does not exceed 20% of the net proceeds from capital raising activities and does not exceed RMB100 million, the following requirements shall be met:

(I) The proceeds from capital raising activities have been available for more than one year;

(II) The change does not affect the implementation of other projects funded by proceeds from capital raising activities;

(III) The approval procedures and information disclosure obligations are fulfilled in accordance with the requirements for changes in the use of proceeds from capital raising activities;

(IV) The Company has not engaged in securities investments or other high-risk investments within the past twelve months;

(V) The Company shall undertake not to conduct securities investments or other high-risk investments within twelve months after the working capital supplementation and shall disclose this undertaking publicly.

Before the completion of all projects funded by proceeds from capital raising activities, if the Company intends to change the use of part of the proceeds from capital raising activities to permanently supplement the working capital, and the amount to be supplemented exceeds 20% of the net proceeds from capital raising activities or exceed RMB100 million, the following requirements shall be met:

(I) The proceeds from capital raising activities have been available for more than three years;

(II) The ~~listed~~ Company is in crisis or faces serious financial difficulties, and such change has been applied for by the ~~listed~~ Company and approved by the stock exchange where the shares of the Company are listed;

(III) The change will not affect the implementation of any uncompleted investment projects funded by the proceeds from capital raising activities;

(IV) The approval procedures and information disclosure obligations are fulfilled in accordance with the changes in investment projects funded by the proceeds from capital raising activities;

(V) The Company has not engaged in securities investments or other high-risk investments within the past twelve months;

(VI) The Company shall undertake not to conduct securities investments or other high-risk investments within twelve months after the working capital supplementation and shall disclose this undertaking publicly.

CHAPTER 5 MANAGEMENT AND SUPERVISION OF PROCEEDS FROM CAPITAL RAISING ACTIVITIES

Article 35 ~~**Article 33**~~ The finance department of the Company shall set up a ledger on the use of proceeds from capital raising activities and record in detail the expenditure of the proceeds from capital raising activities and the investments made for the projects funded by the proceeds from capital raising activities.

Article 36 ~~**Article 34**~~The internal audit department of the Company shall inspect the deposit and use of the proceeds from capital raising activities at least once every quarter and report the results of the inspection to the audit committee in a timely manner.

Where the audit committee considers that there are irregularities or significant risks in the ~~listed~~ Company's management of the proceeds from capital raising activities, or where the internal audit department fails to submit an inspection report in accordance with the preceding paragraph, the audit committee shall promptly report to the Board of Directors. The Board of Directors shall, within two trading days of receiving such report, report to the stock exchange where the shares of the Company are listed and make a public announcement. The announcement shall include any irregularities or significant risks in the management of the proceeds from capital raising activities, the consequences that have occurred or may occur, and the measures taken or to be taken.

Article 37 ~~**Article 35**~~The Board of Directors of the Company shall conduct a comprehensive review of the progress of investment projects funded by the proceeds from capital raising activities every half year and issue semi-annual and annual special reports on the deposit, management, and use of the proceeds from capital raising activities. ~~, and~~ The Company may engage an accounting firm to issue an assurance report on the annual deposit and use of such proceeds from capital raising activities, ~~The Company shall~~ and shall disclose the assurance report issued by the accounting firm together with its periodic reports through qualified media.

The certified public accountants shall perform reasonable assurance procedures on whether the special report of the Board of Directors has been prepared in accordance with the relevant format guidelines and whether it accurately reflects the actual deposit and use of the proceeds from capital raising activities, and shall issue an assurance conclusion.

If the assurance conclusion is a "qualified conclusion", a "negative conclusion", or a "disclaimer of conclusion", the Board of Directors shall conduct analysis in respect of the reasons for the conclusion given by the certified public accountant in the assurance report, propose rectification measures, and disclose the same in the annual report. The sponsor shall conduct an on-site inspection of the deposit and use of the annual proceeds from capital raising activities within 10 trading days after the disclosure of the assurance report, and issue a special inspection report. The reasons for the above assurance conclusion given by the certified public accountant shall be seriously analysed in the inspection report, and explicit inspection opinion shall be given. The Company shall report to the stock exchange where the shares of the Company are listed and make a public announcement within 2 trading days of receiving the inspection report.

~~**Article 36** Independent non-executive directors shall pay attention to whether there are significant discrepancies between the actual use of proceeds and the Company's disclosures. With the consent of more than half of the independent non-executive directors, they may engage an accounting firm to issue an assurance report on the deposit and use of proceeds. The Company shall provide active cooperation and bear the necessary expenses.~~

Article 38 ~~**Article 37**~~ The Board of Directors of the Company authorizes the sponsor representatives to access information on the dedicated fundraising accounts at any time by inquiring with the bank. The sponsor and the Company shall agree in the sponsorship agreement that the sponsor shall conduct an on-site inspection of the deposit and use of the proceeds from capital raising activities at least once every quarter. If the sponsor or independent financial adviser discovers any significant irregularities or major risks in the management of the Company's proceeds from capital raising activities during an on-site inspection, it shall report to the stock exchange where the shares of the Company are listed on a timely manner.

After the end of each fiscal year, the sponsor or independent financial adviser shall issue and disclose a special inspection report on the deposit and use of the ~~listed~~ Company's annual proceeds from capital raising activities.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 39 ~~**Article 38**~~ This System shall be interpreted by the Board of Directors of the Company.

Article 40 ~~**Article 39**~~ Where this System conflicts with national laws, administrative regulations or normative documents, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association, the provisions of the national laws, administrative regulations or normative documents, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association shall prevail. Any matters not covered herein shall be handled in accordance with the provisions of national laws, administrative regulations or normative documents, the securities regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Article 41 ~~**Article 40**~~ This System shall come into effect upon approval by the general meeting of the Company~~, implemented from the date on which the Company's publicly issued offshore listed foreign shares (H shares) commence trading on the Main Board of The Stock Exchange of Hong Kong Limited~~. From the effective date of this System, the original System for the Administration of Proceeds from Capital Raising Activities of Asymchem Laboratories (Tianjin) Co., Ltd. shall automatically become void.

The proposed amendments to the Code of Conduct for Controlling Shareholders are as follows:

CHAPTER 1 GENERAL PROVISIONS

Article 1 These codes (the "Codes") of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as the "Company") are formulated in accordance with the relevant provisions of Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Standards for Corporate Governance of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and the Articles of Association of Asymchem Laboratories (Tianjin) Co., Ltd. (hereinafter referred to as "the Articles of Association"), and in conjunction with the actual circumstances of the Company for the purposes of further regulating the conduct of controlling shareholders of the Company, improving the corporate governance system, promoting the standardized operation of the Company, effectively safeguarding the overall interests of the Company and protecting the interest of shareholders, especially minority shareholders, from being prejudiced.

CHAPTER 2 CONTROLLING SHAREHOLDERS

Article 2 Controlling Shareholder shall refer to a Shareholder who meets any of the following conditions:

(1) When acting alone or in concert with others, he/she may elect more than half of the Directors;

(2) When acting alone or in concert with others, he/she may exercise more than 30% (including 30%) of the voting rights of the Company or may control more than 30% (including 30%) of the voting rights of the Company;

(3) When acting alone or in concert with others, he/she holds more than 30% (including 30%) of the outstanding shares issued by the Company;

(4) When acting alone or in concert with others, he/she has de facto control over the Company in any other way.

(5) Circumstances specified in Rule 19A.14 of the Hong Kong Listing Rules.

"Acting in concert" as referred to in this article means the action where two or more people reach an agreement by means of an arrangement (whether oral or written), and obtain voting power over the company through any of them to achieve or solidify control over the Company.

Associates of controlling shareholders refer to enterprises controlled by the controlling shareholder and actual controller of the Company.

CHAPTER 3 CODES OF CONDUCT FOR CONTROLLING SHAREHOLDERS

Article 3 The Company's controlling shareholder can only exercise its rights through the shareholders' general meeting and convey its decision-making intentions through directors representing its interests. It shall not interfere with or influence the Company over and above the shareholders' general meeting of the Company and the Board of Directors.

Article 4 In addition to obligations imposed by laws, administrative regulations, or those required by the securities regulatory rules of the place where the Company's shares are listed, a controlling shareholder shall not exercise its voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the Company's shareholders:

(1) to relieve a director ~~or a supervisor~~ of his/her duty to act honestly in the best interests of the Company;

(2) to approve the deprivation by a director ~~or a supervisor~~ (for his own benefit or for the benefit of another person), by any means, of the Company's assets, including (without limitation) opportunities beneficial to the Company;

(3) to approve the deprivation by a director ~~or a supervisor~~ (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (without limitation) rights to distributions and voting rights save for a restructuring of the Company submitted to the shareholders' general meeting for approval in accordance with the Articles of Association.

Article 5 A controlling shareholder shall support the Company in deepening the reforms of the labour, personnel and distribution systems, transforming its operation and management mechanism and establishing systems featuring competition-based management positions with flexible promotion or demotion, recruitment of the most qualified staff with flexible service term, adjustable income distribution and effective encouragement.

Article 6 Neither the controlling shareholder nor the actual controller of the Company may prejudice the interests of the Company by taking advantage of his/her connected relationship. Anyone who violates the regulations and causes any loss to the Company shall be liable for the compensation.

The controlling shareholders and actual controllers of the Company shall act in good faith towards the Company and other shareholders. Controlling shareholders shall exercise the rights of the contributors in strict compliance with the law. Controlling shareholders shall not prejudice the legitimate rights and interests of the Company and other shareholders by means of profit distribution, asset restructuring, external investment, capital appropriation, loan guarantees, etc. They shall also not use their controlling position to prejudice the interests of the Company and other shareholders.

Article 7 Controlling shareholders shall nominate candidates for directors ~~and supervisors~~ in strict compliance with the conditions and procedures stipulated in relevant laws, regulations, and the Articles of Association. Candidates for directors ~~and supervisors~~ nominated by controlling shareholders shall be qualified with the professional knowledge and the capability for decision-making and supervision. A controlling shareholder is not entitled to the approval of any personnel election resolutions passed at a shareholders' general meeting or any director appointment resolutions passed at the board meeting, or, in ultra surpass over the shareholders' general meeting and board meeting, any appointment or removal of the Company's senior management members.

Article 8 The material decisions of the Company shall be made at general meetings and board meetings under the laws. Controlling shareholders shall not directly or indirectly intervene in the decisions or the lawful production and operation activities of the Company to prejudice the interests of the Company and other shareholders.

Article 9 Appropriation of the Company's funds is strictly restricted in the operating fund transactions of the Company with controlling shareholders and other related parties. Controlling shareholders and other related parties of the Company shall not require advance payment of periodic expenses such as salary, welfare, insurance, advertisement, etc., to be paid by the Company; nor shall they undertake each other's cost and other expenditures.

Article 10 Connected transactions between controlling shareholders and the Company shall be subject to the principles of "fairness, impartiality, and openness". Connected transactions shall not be utilised to transfer the Company's profits or quality assets, nor shall they be utilized to transfer inferior assets to the Company or transfer assets to the Company at excessively high prices. Connected transactions between controlling shareholders and the Company shall be governed by relevant agreements entered into based on commercial principles, and shall be disclosed in a timely manner in accordance with the regulations of the stock exchange(s) in the place(s) where the Company's shares are listed.

Article 11 Controlling shareholders shall strictly implement the relevant regulations of the China Securities Regulatory Commission and the stock exchange(s) in the place(s) where the Company's shares are listed, and are not permitted to compel the Company to provide guarantee for themselves or others.

Article 12 Controlling shareholders shall not utilise the Company's insider information to trade in the Company's shares on the secondary market. Those who violate the provisions of this Article and contravene the laws shall be held legally liable in accordance with the law.

CHAPTER 4 GUARANTEEING THE INDEPENDENCE OF THE COMPANY

Article 13 The controlling shareholders and the Company shall have separate staff, assets and financial management, along with independent organisation and operations. They shall each conduct their audits independently and bear their respective responsibilities and risks.

Article 14 The Company's personnel shall be independent from a controlling shareholder and its associates.

Any person holding a position other than a director in the controlling shareholders and actual controller of the Company shall not serve as senior management of the Company. A senior management member of a controlling shareholder who concurrently serves as a Director of the Company shall ensure sufficient time and energy for the work of the Company.

Article 15 The assets invested into the Company by controlling shareholders shall be independent and complete, and have clear ownership. If a controlling shareholder contributes non-monetary assets, procedures for change in ownership shall be proceeded to clearly define the scope of the assets. The Company shall have independent registration, booking, accounting and management for such assets. Controlling shareholders shall not dispose of such assets or interfere with the Company's operation and management of such assets.

Article 16 Neither controlling shareholders nor associates of such controlling shareholders shall irregularly appropriate assets, funds and other resources of the Company in any way, and none of them shall be permitted to allocate expenses and other burdens to the Company.

Article 17 The Company shall establish and improve its financial and accounting management systems in accordance with the requirements of relevant laws and regulations and perform independent accounting. The controlling shareholders shall respect the financial independence of the Company and shall not interfere with the financial and accounting activities of the Company. The financial department of the controlling shareholders shall be separated from the financial department of the Company and shall not share bank accounts or arbitrarily interfere with the use of the Company's funds.

Article 18 The production and operation premises and office establishments of the controlling shareholders and associates of such controlling Shareholders shall be separated from those of the Company and shall not share offices.

Article 19 The controlling shareholders shall ensure that the Company has independent production, supply and sales systems, so that the purchase and sales of its main raw materials and products do not depend on the controlling shareholders.

Article 20 The Board of Directors~~, the Board of Supervisors~~ and other internal institutions of the Company shall operate legally and independently. The controlling shareholder and its functional departments have no senior/junior relationship with the Company or its functional departments. The controlling shareholder and its subordinate institutions are not allowed to issue any plans or directives to the Company and its subordinate companies concerning the Company's operations, or to affect the independence of its management in any manner.

Article 21 The Company's operations are completely independent of its controlling shareholders. The controlling shareholder and its associates shall not engage in businesses that are the same as or similar to those of the Company. The controlling shareholder shall take effective measures to avoid horizontal competition.

CHAPTER 5 DISCLOSURE OF INFORMATION ON CONTROLLING SHAREHOLDERS

Article 22 The Company shall timely disclose the detailed information of the controlling shareholders or actual controllers in accordance with the relevant regulations of the stock exchange(s) in the place(s) where the Company's shares are listed.

Article 23 The Company shall timely understand and disclose changes in the shareholding and other significant matters that may cause changes in the shareholding.

Article 24 When the controlling shareholders of the Company increase, decrease, or pledges the Company's shares, or when there is a change in control of the Company, the Company and its controlling shareholders shall timely and accurately disclose relevant information to all shareholders.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 25 The matters not covered in the Codes shall comply with relevant laws, administrative regulations, departmental regulations, securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association. Should the Codes contravene the laws, administrative regulations, and departmental regulations as subsequently promulgated by the government, or securities regulatory rules of the place(s) where the Company's shares are listed, or the Articles of Association as amended through legitimate procedures, the national laws, administrative regulations, departmental regulations, securities regulatory rules of the place(s) where the Company's shares are listed and the Articles of Association shall prevail, and shall be revised by the Board in a timely manner.

Article 26 The rights to interpret the Codes belong to the Board of Directors.

Article 27 The Codes shall come into effect and be implemented upon~~ the approval by the shareholders' general meeting and the listing and trading of the company's overseas listed foreign shares (H shares) on the Main Board of The Stock Exchange of Hong Kong Limited~~being considered and approved by the general meeting of the Company. From the effective date of the Codes, the original Codes of Conduct for Controlling Shareholders of Asymchem Laboratories (Tianjin) Co., Ltd. shall automatically become void.

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Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團（天津）股份有限公司

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

(Stock Code: 6821)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

NOTICE IS HEREBY GIVEN THAT the second extraordinary general meeting of 2025 (the "**EGM**") of Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (the "**Company**") will be held physically at 2:00 p.m. on Wednesday, 6 August 2025 at No. 71, 7th Street, Economic – Technological Development Area, Tianjin, PRC for the following purposes of considering and, if deemed appropriate, approving the following resolutions:

SPECIAL RESOLUTIONS

To consider and, if thought fit, to pass the following as special resolutions:

1. The proposed amendments to the Articles of Association.

2. The proposed amendments to the Rules of Procedures for the General Meetings.

3. The proposed amendments to the Rules of Procedures for the Board of Directors.

4. The proposed abolition of the Board of Supervisors and repeal of the Rules of Procedures for the Board of Supervisors.

ORDINARY RESOLUTIONS

To consider and, if thought fit, to pass the following as ordinary resolutions:

5. The proposed changes and delay in the use of part of Proceeds, and establishment of a new Proceeds-funded project:

   5.1 proposed changes and delay in the use of part of the Global Offering Proceeds; and

   5.2 proposed changes and delay in the use of part of the A Share Non-Public Offering Proceeds.

6. The proposed election and appointment of executive Directors of the fifth session of the Board (by way of cumulative voting):

   6.1 election of Dr. Hao Hong as an executive Director of the fifth session of the Board;

   6.2 election of Ms. Yang Rui (楊蕊) as an executive Director of the fifth session of the Board; and

   6.3 election of Mr. Zhang Da (張達) as an executive Director of the fifth session of the Board;

7. The proposed election and appointment of non-executive Directors of the fifth session of the Board (by way of cumulative voting):

   7.1 election of Dr. Ye Song as non-executive Director of the fifth session of the Board; and

   7.2 election of Ms. Zhang Ting (張婷) as a non-executive Director of the fifth session of the Board.

8. The proposed election and appointment of independent non-executive Directors of the fifth session of the Board (by way of cumulative voting):

   8.1 election of Dr. Sun Xuejiao (孫雪嬌) as an independent non-executive Director of the fifth session of the Board;

   8.2 election of Dr. Hou Xinyi (侯欣一) as an independent non-executive Director of the fifth session of the Board; and

   8.3 election of Mr. Xie Weikai (謝維愷) as an independent non-executive Director of the fifth session of the Board.

9. The proposed amendments to the Working Policy for the Independent Non-Executive Directors.

10. The proposed amendments to the Administrative Measures for External Guarantees.

11. The proposed amendments to the Administrative Measures for External Investments.

12. The proposed amendments to the Management and Decision-making Measures for Related (Connected) Transactions.

13. The proposed amendments to the Administrative Measures for the Use of Proceeds.

14. The proposed amendments to the Code of Conduct for Controlling Shareholders.

CLOSURE OF REGISTER OF MEMBERS

H Shareholders who intend to attend the EGM are required to deposit the share certificates accompanied by relevant transfer documents at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 4 August 2025. H Shareholders whose names appear on the register of members of the Company on Wednesday, 6 August 2025 shall be entitled to attend and vote at the EGM. The register of members of the Company will be closed from Tuesday, 5 August 2025 to Wednesday, 6 August 2025 (both days inclusive), during which period no transfer of H Shares will be registered.

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairperson of the Board, Executive Director and Chief Executive Officer

Tianjin, the PRC, 22 July 2025

As at the date of this notice, the Board comprises Dr. Hao Hong as the Chairperson of the Board and executive Director, Ms. Yang Rui, Mr. Zhang Da, and Mr. Hong Liang as executive Directors, Dr. Ye Song and Ms. Zhang Ting as non-executive Directors, and Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Lee, Kar Chung Felix as independent non-executive Directors.

Notes:

(1) Unless the context otherwise stated, capitalized terms used in this notice shall have the meanings as those defined in the circular of the Company dated 22 July 2025.

(2) All votes of resolutions at the EGM will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (**www.hkexnews.hk**) and the Company (**www.asymchem.com**) in accordance with the Hong Kong Listing Rules.

(3) Any Shareholder entitled to attend and vote at the EGM can appoint one or more proxies to attend and vote at the EGM on his/her behalf. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and type of Shares in respect of which each proxy is so appointed.

(4) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the Shareholder or his/her/its attorney who has been authorized in writing. If the Shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the Shareholder, the power of attorney or other authorization document shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the EGM (i.e. no later than 2:00 p.m. on Tuesday, 5 August 2025 (Hong Kong time)) or any adjournment thereof in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

(5) Shareholders shall produce their identification documents when attending the EGM.

(6) If a proxy attends the EGM on behalf of a Shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specifies the date of its issuance. If a representative of a corporate Shareholder attends the EGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate Shareholder.

(7) The EGM is expected to last for half a day. Shareholders who attend the EGM (in person or by proxy) shall bear their own traveling, accommodation and other expenses.

(8) The contact information of the Company is as follows:

Address	:	Board of Directors Office Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) No. 71, 7th Street Economic – Technological Development Area Tianjin, PRC
Postal Code	:	300457
Tel	:	(86) 022-66389560
Contact Person	:	Mr. Yu Changliang
Email	:	securities@asymchem.com.cn

(9) The details about the aforesaid resolutions proposed at the EGM are set out in the circular of the Company dated 22 July 2025.

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Asymchem Laboratories (Tianjin) Co., Ltd.
凱萊英醫藥集團（天津）股份有限公司

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

(Stock Code: 6821)

NOTICE OF THE THIRD H SHARES CLASS MEETING OF 2025

NOTICE IS HEREBY GIVEN THAT the third H Shares Class Meeting of 2025 (the "**H Shares Class Meeting**") of Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) (the "**Company**") will be held physically on Wednesday, 6 August 2025 at No. 71, 7th Street, Economic – Technological Development Area, Tianjin, PRC after the conclusion of the second extraordinary general meeting of 2025 and the third A shares class meeting of the Company of 2025 and any adjournments thereof, for the following purposes of considering and, if deemed appropriate, approving the following resolution:

SPECIAL RESOLUTIONS

To consider and, if thought fit, to pass the following as special resolutions:

1. The proposed amendments to the Articles of Association.

2. The proposed amendments to the Rules of Procedures for the General Meetings.

CLOSURE OF REGISTER OF MEMBERS

H Shareholders who intend to attend the H Shares Class Meeting are required to deposit the share certificates accompanied by relevant transfer documents at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 4 August 2025. H Shareholders whose names appear on the register of members of the Company on Wednesday, 6 August 2025 shall be entitled to attend and vote at the H Shares Class Meeting. The register of members of the Company will be closed from Tuesday, 5 August 2025 to Wednesday, 6 August 2025 (both days inclusive), during which period no transfer of H Shares will be registered.

By order of the Board
Asymchem Laboratories (Tianjin) Co., Ltd.
Dr. Hao Hong
Chairperson of the Board, Executive Director and Chief Executive Officer

Tianjin, the PRC, 22 July 2025

As of the date of this notice, the Board comprises Dr. Hao Hong as the Chairperson of the Board and executive Director, Ms. Yang Rui, Mr. Zhang Da, and Mr. Hong Liang as executive Directors, Dr. Ye Song and Ms. Zhang Ting as non-executive Directors, and Dr. Sun Xuejiao, Dr. Hou Xinyi and Mr. Lee, Kar Chung Felix as independent non-executive Directors.

Notes:

(1) Unless the context otherwise stated, capitalized terms used in this notice shall have the meanings as those defined in the circular of the Company dated 22 July 2025.

(2) All votes of resolutions at the H Shares Class Meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (**www.hkexnews.hk**) and the Company (**www.asymchem.com**) in accordance with the Hong Kong Listing Rules.

(3) Any Shareholder entitled to attend and vote at the H Shares Class Meeting can appoint one or more proxies to attend and vote at the H Shares Class Meeting on his/her behalf. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and type of Shares in respect of which each proxy is so appointed.

(4) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the Shareholder or his/her/its attorney who has been authorized in writing. If the Shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the Shareholder, the power of attorney or other authorization document shall be notarized. For H Shareholders, the aforementioned documents must be lodged with the H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the H Shares Class Meeting (i.e. no later than 2:00 p.m. on Tuesday, 5 August 2025 (Hong Kong time)) or any adjournment thereof in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

(5) Shareholders shall produce their identification documents when attending the H Shares Class Meeting.

(6) If a proxy attends the H Shares Class Meeting on behalf of a Shareholder, he/she should produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specifies the date of its issuance. If a representative of a corporate Shareholder attends the H Shares Class Meeting, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate Shareholder.

(7) The H Shares Class Meeting is expected to last for half a day. Shareholders who attend the H Shares Class Meeting (in person or by proxy) shall bear their own traveling, accommodation and other expenses.

(8) The contact information of the Company is as follows:

Address	:	Board of Directors Office Asymchem Laboratories (Tianjin) Co., Ltd. (凱萊英醫藥集團(天津)股份有限公司) No. 71, 7th Street Economic – Technological Development Area Tianjin, PRC
Postal Code	:	300457
Tel	:	(86) 022-66389560
Contact Person	:	Mr. Yu Changliang
Email	:	securities@asymchem.com.cn

(9) The details about the aforesaid resolutions proposed at the H Shares Class Meeting are set out in the circular of the Company dated 22 July 2025.