THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Shiyue Daotian Group Co., Ltd., you should at once hand this circular, together with the enclosed proxy form, 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.

Shiyue Daotian Group Co., Ltd.

十月稻田集團股份有限公司

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

(Stock code: 9676)

(1) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTOR; (2) PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS; (3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION; (4) PROPOSED AMENDMENTS TO THE CORPORATE GOVERNANCE RULES; AND (5) NOTICE OF THE SECOND EGM OF 2025

A notice of EGM of the Company to be held as on-site meeting at 10:00 a.m. on Tuesday, December 16, 2025 at 2/F, Building A, Yisha Wenxin Plaza, Chaoyang District, Beijing, the PRC is set out on pages EGM-1 to EGM-3 of this circular. A proxy form for use at the EGM is also enclosed. Such proxy form is also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.shiyuedaotian.com).

Whether or not you intend to attend the EGM, holders of Shares of the Company are requested to complete the enclosed proxy form of the Company in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event, not less than 24 hours before the time appointed for the EGM or any adjournment thereof (i.e. not later than 10:00 a.m. on Monday, December 15, 2025). Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof should they so wish in such event, and the proxy form shall be deemed to be revoked.

November 27, 2025

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In this circular, unless the context otherwise requires, the following terms and expressions have the meanings set forth below:

"Articles of Association"	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of the Board
"Companies Act"	the Company Law of the People's Republic of China
"Board" or "board of Directors"	the board of Directors of the Company
"Board of Supervisors"	the board of Supervisors of the Company
"Company"	Shiyue Daotian Group Co., Ltd., a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange with stock code of 9676
"Director(s)"	the director(s) of the Company
"EGM"	the second extraordinary general meeting of 2025 or any adjourned meeting of the Company to be held as on-site meeting at 2/F, Building A, Yisha Wenxin Plaza, Chaoyang District, Beijing, the PRC at 10:00 a.m. on Tuesday, December 16, 2025
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas listed foreign Share(s) in the share capital of the Company with a nominal value of RMB0.10 each, which are traded in Hong Kong dollars and listed on the Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited
"H Shareholder(s)"	holder(s) of H Shares
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Latest Practicable Date"	November 25, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

"Nomination Committee"	the nomination committee of the Board
"Notice of EGM"	the notice of the EGM dated November 27, 2025, set out on pages EGM-1 to EGM-3 of this circular
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	share(s) in the share capital of the Company, with a nominal value of RMB0.10 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supervisor(s)"	the supervisor(s) of the Company
"%"	per cent

Shiyue Daotian Group Co., Ltd.
十月稻田集團股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9676)

Executive Directors:
Mr. Wang Bing *(Chairman)*
Ms. Zhao Wenjun
Ms. Zhao Shulan
Mr. Shu Minghe

Non-executive Director:
Mr. Chang Bin

Independent non-executive Directors:
Mr. Shi Ketong
Mr. Yeung Chi Tat
Mr. Lin Chen

Registered office in the PRC:
Dahuangdi Village, Xinglongpu Town, Xinmin City
Shenyang, Liaoning Province, the PRC

Head office and principal place of business in the PRC:
2/F, Building A, Yisha Wenxin Plaza
Chaoyang District, Beijing, the PRC

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

To the Shareholders:

Dear Sir or Madam,

(1) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTOR; (2) PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS; (3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION; (4) PROPOSED AMENDMENTS TO THE CORPORATE GOVERNANCE RULES; AND (5) NOTICE OF THE SECOND EGM OF 2025

I. INTRODUCTION

The EGM is proposed to be held as on-site meeting by the Company at 2/F, Building A, Yisha Wenxin Plaza, Chaoyang District, Beijing, the PRC at 10:00 a.m. on Tuesday, December 16, 2025. The EGM Notice is set out on pages EGM-1 to EGM-3 of this circular.

The purpose of this circular is to provide you with details of the resolutions to be proposed at the EGM for consideration, and to provide you with relevant information to enable you to make an informed decision on whether to vote for or against the resolutions or to abstain from voting. These resolutions and relevant details are set out in the Letter from the Board.

II. MATTERS TO BE RESOLVED AT THE EGM

1. PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated November 10, 2025 in relation to, among other things, the proposed appointment of executive Director and independent non-executive Director.

An ordinary resolution will be proposed at the EGM to approve the appointment of Mr. HE Yang ("**Mr. He**") as an executive Director and Ms. GUO Hong ("**Ms. Guo**") as an independent non-executive Director.

If Ms. Guo is appointed as an independent non-executive Director, she will also be appointed as a member of the Audit Committee and the Nomination Committee. The terms of office of Mr. He and Ms. Guo will commence on the date of approval at the EGM and will continue until the expiration of the term of office of the first session of the Board.

Details of the biographies and other information in respect of the above director candidates which are required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules are set out in Appendix I to this circular.

The nomination of the independent non-executive Director was made in accordance with the Company's Articles of Association and, after consideration of the candidates' past records, skill sets, knowledge, experience, independence and the Company's specific needs, was proposed by the Board, preliminarily reviewed by the Nomination Committee, considered by the Board and submitted to the EGM for election. The candidate for independent non-executive Director has confirmed her independence to the Company pursuant to Rule 3.13 of the Listing Rules. The board has assessed and reviewed the independence of the independent non-executive Director candidate and is of the view that the candidate for independent non-executive Director meets the independence requirements.

The Nomination Committee believes that the candidate for independent non-executive Director has the basic knowledge of the operation of a listed company, is familiar with the work experience as necessary to discharge her duties as an independent non-executive Directors, will properly discharge her duties and responsibilities as an independent non-executive Director and will make a positive contribution to the development of the Company. The candidate for independent non-executive Director will also promote diversity of the Board in a number of aspects, including age, gender, cultural and educational background, professional experience, expertise and knowledge.

2. PROPOSED ABOLITION OF THE BOARD OF SUPERVISORS

An ordinary resolution will be proposed at the EGM to approve the abolition of the Board of Supervisors.

Reference is made to the announcement of the Company dated November 10, 2025 in relation to, among other things, the proposed abolition of the Board of Supervisors.

In accordance with the Company Law and other relevant laws and regulations, and taking into consideration the Company's actual circumstances and operational needs, the Company proposes to abolish the Board of Supervisors. Upon approval by the Shareholders at the EGM, the Board of Supervisors will be discontinued and its powers and functions will be exercised by the Audit Committee.

The abolition of the Board of Supervisors shall take effect from the date on which the relevant resolution is passed at the EGM, its terms of reference and the positions of its members shall be automatically terminated.

3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A special resolution will be proposed at the EGM to approve the amendments to the Articles of Association.

Reference is made to the announcement of the Company dated November 10, 2025 in light of the above, the proposed abolition of the Board of Supervisors, amendments to the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) and the Listing Rules, including the core shareholder protection standards as set out in Appendix A1 of the Listing Rules, the expansion and further expansion of the paperless listing regime, as well as the amendments to the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the Board proposed to make certain consequential amendments to the Articles of Association (the "**Proposed Amendments to the Articles of Association**"). The details of Proposed Amendments to the Articles of Association are set out in Appendix II.

The amended Articles of Association shall take effect from the date of the passing of the relevant resolution at the EGM. Prior to the passing of the relevant resolution at the EGM, the existing Articles of Association shall remain valid.

4. PROPOSED AMENDMENTS TO THE CORPORATE GOVERNANCE RULES

A special resolution will be proposed at the EGM to approve the amendments to the Rules of Procedures of General Meetings; and Rules of Procedures of Board Meetings, and an ordinary resolution will be proposed to approve the amendments to the Working Rules for Independent Non-executive Directors, Administrative System for Related Party Transactions, and Administrative System for External Guarantees (collectively, the "**Corporate Governance Rules**").

Reference is made to the announcement of the Company dated November 10, 2025 in relation to, among other things, the proposed amendments to the Corporate Governance Rules.

In accordance with the Company Law and other relevant laws and regulations, taking into consideration the Company's actual circumstances and operational needs, and amendments to the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) and the Listing Rules, including the core shareholder protection standards as set out in Appendix A1 of the Listing Rules, the expansion and further expansion of the paperless listing regime, as well as the amendments to the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, the Board proposed to make amendments to the Corporate Governance Rules.

The specific amendments to the Corporate Governance Rules are set out in Appendices III to VII of this circular.

The amended Corporate Governance Rules shall take effect from the date on which the relevant resolutions are passed at the EGM. Until such resolutions are passed, the existing Corporate Governance Rules shall remain valid.

EGM AND PROXY ARRANGEMENTS

A notice of the EGM is set out on pages EGM-1 to EGM-3 in this circular, and published and available for downloading on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.shiyuedaotian.com). A proxy form for use at the EGM is enclosed with this circular.

For determining eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, December 11, 2025 to Tuesday, December 16, 2025, both days inclusive, during which period no transfer of Shares will be registered. To be eligible for attending and voting at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, December 10, 2025 for registration. Shareholders whose names appear on the register of members of the Company on Tuesday, December 16, 2025 shall be entitled to attend and vote at the EGM.

Whether or not you intend to attend the EGM, you are requested to complete the enclosed proxy form of the Company in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event, not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (i.e. not later than 10:00 a.m. on Monday, December 15, 2025). Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof should they so wish. If you attend and vote at the EGM, the authority of your proxy will be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at general meeting must be taken by poll. Accordingly, all resolutions set out in the EGM Notice will be taken by way of poll. Vote can be cast in person or by proxy.

To the best of the knowledge, information and belief of the Directors after having made all reasonable inquiries, no Shareholder will be required to abstain from voting at the EGM regarding the relevant resolutions as at the Latest Practicable Date.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that all resolutions for the Shareholders to consider and approve included in the Notice of EGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions in relation to the above matters to be proposed at the EGM.

Yours faithfully,
By order of the Board
Shiyue Daotian Group Co., Ltd.
Mr. Wang Bing
Chairman and Executive Director

Beijing, the PRC, November 27, 2025

EXECUTIVE DIRECTOR

Mr. HE Yang

Mr. He Yang (何洋), aged 41, joined the Company in September 2020, serving as the Director of Human Resources Department of the Company since then. Prior to joining the Group, Mr. He served as a Human Resources Director of Meat Product and Farming Department and a Director of Human Resources Business Partner at COFCO Joycome Foods Limited (formerly known as COFCO Meat Holdings Limited, a company listed on the Stock Exchange, stock code: 1610) from August 2009 to December 2017. He served as a manager of Human Resources Department and assistant general manager of Consumer Product Department at COFCO Tunhe Tomato Co., Ltd.* (中糧屯河番茄有限公司) from January 2018 to September 2020.

Mr. He received his bachelor's degree in human resources management from Northeast Normal University (東北師範大學) in Jilin Province, the PRC, in September 2007 and his master's degree in human resources management from Renmin University of China in Beijing, the PRC, in June 2009. He holds the title of a senior human resources manager from Ministry of Human Resources and Social Security of the PRC (中國人力資源和社會保障部) in September 2014, an intermediate economist from Beijing Municipal Human Resources and Social Security Bureau of the PRC (中國北京市人力資源和社會保障局) in April 2015, and a certified management accountant of Institute of Management Accountant of the United States in September 2019.

As at the Latest Practicable Date, save as disclosed above, Mr. He (i) have no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) do not hold any other positions with the Company or other members of the Group; (iii) do not have any relationship with any Directors, supervisors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company; (iv) do not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (v) do not have other major appointments and professional qualifications.

The Company will enter into a service contract with Mr. He upon approval by Shareholders at the EGM. Pursuant to the 2025 remuneration plan for Directors approved by the Company on 26 June 2025, Mr. He, in his capacity as the Director of Human Resources Department of the Company, shall receive remuneration in accordance with his position and shall not receive separate Director's remuneration.

Save as disclosed above, there are no other matters relating to the appointment of Mr. He that needs to be brought to the attention of the Shareholders and the Stock Exchange, nor is there any other information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. GUO Hong

Ms. Guo Hong (郭虹), aged 48, has over 25 years of experience in investment management. She has held positions across multiple departments at Hangzhou Wahaha Group Co., Ltd.* (杭州娃哈哈集團有限公司). Ms. Guo has extensive practical experience in the business operations, financial management and corporate strategic investment of mega companies.

Ms. Guo holds a master's degree in business administration (executive) from City University of Hong Kong, and is currently pursuing doctoral studies at the College of Business of the City University of Hong Kong.

Ms. Guo has confirmed (i) her independence as regards each of the factors referred to in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"); (ii) that she does not have any past or present financial or other interest in the business of the Company and its subsidiaries (the "Group"), or any connection with any core connected person (as defined in the Listing Rules) of the Company; and (iii) that there are no other factors that may affect her independence at the time of her proposed appointment.

As at the Latest Practicable Date, save as disclosed above, Ms. Guo (i) have no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) do not hold any other positions with the Company or other members of the Group; (iii) do not have any relationship with any Directors, supervisors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company; (iv) do not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (v) do not have other major appointments and professional qualifications.

The Company will enter into a service contract with Ms. Guo upon approval by Shareholders at the Extraordinary General Meeting. Pursuant to the 2025 remuneration plan for Directors approved by the Company on 26 June 2025, Ms. Guo shall receive an annual Director's remuneration of RMB360,000 (before tax) from the Company.

Save as disclosed above, there are no other matters relating to the appointment of Ms. Guo that needs to be brought to the attention of the Shareholders and the Stock Exchange, nor is there any other information required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The proposed amendments to the Articles of Association are set out as follows:

Article 1 To safeguard the legitimate rights and interests of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company") and its shareholders and creditors, and to regulate the organization and acts of the Company, these Articles of Association are formulated pursuant to the *Company Law of the PRC* (hereinafter referred to as the "Company Law"), the *Securities Law of the PRC* (hereinafter referred to as the "Securities Law"), the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)*, *the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》)*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "Hong Kong Listing Rules"), and other relevant provisions.

Article 10 From the date on which ~~the Company's~~ these Articles of Association come into effect, the Articles of Association constitute the legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders inter se and are legally binding on the Company, its shareholders, directors~~, supervisors~~ and senior management personnel. Pursuant to the Articles of Association, a shareholder may take legal action against another shareholder, a shareholder may take legal action against the Company's directors, ~~supervisors,~~ general managers and other senior management personnel, a shareholder may take legal action against the Company and the Company may take legal action against its shareholders, directors, ~~supervisors,~~ general managers and other senior management personnel.

Article 15 The shares of the Company shall take the form of registered share certificates.

Where the capital of the Company includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting".

The Company shall keep a register of shareholders~~, which shall contain the following particulars,~~ or conduct shareholder registration in accordance with laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

Any shareholder who is registered in, or any person who requests to have his/her name entered in, the register of shareholders may apply to the Company for issue of a replacement share certificate in respect of such shares (hereinafter referred to as the "Relevant Shares") if his/her share certificate (hereinafter referred to as the "Original Certificate") is lost. If a shareholder whose share certificate of domestic listed shares has lost applies to the Company for a replacement share certificate, it shall be dealt with in accordance with the relevant provisions of the Company Law. If a shareholder whose share certificate of overseas-listed shares has lost applies to the Company for a replacement share certificate, it shall be dealt with in accordance with the laws, rules of the stock exchange(s) or other relevant provisions of the place where the original register of holders of overseas-listed shares is kept.

Article 29 Shares of the Company held by the promoter shall not be transferred within one year from the date of establishment of the Company. Shares issued by the Company prior to the public offering of its shares may not be transferred within one year from the date of listing of its shares on a stock exchange.

Directors~~, supervisors~~ and senior management personnel of the Company shall declare to the Company of the number of shares of the Company held and any changes in relation thereto and shall not transfer more than 25% of the total number of shares of the Company of the same class held by them every year during their tenure. The shares held by the aforementioned person shall not be transferred within one year from the date of listing of the Company's shares. The aforesaid officers shall not transfer the shares of the Company held by them within six months from the date they cease their employment with the Company.

Article 30 In the event that any shareholder, director, ~~supervisor,~~ senior management personnel holding 5% or more of the shares of the Company disposes of the shares of the Company or other securities of the nature of equity within six months after his/her acquisition, or where shares are acquired within six months after the date of disposal of any shares, any gains arising therefrom shall belong to the Company, and the board of directors of the Company shall recover such gains. However, a securities company holds 5% or more shares by taking up the remaining shares not subscribed pursuant to an underwriting arrangement, as well as other circumstances stipulated by the CSRC are excluded.

The shares or other securities of the nature of equity held by directors, ~~supervisors,~~ senior management personnel and individual shareholders as mentioned in the preceding paragraph, include the shares or other securities of the nature of equity held by their spouses, parents, and children, or held through the accounts of others.

In the event that the board of directors of the Company does not comply with the provisions of the first paragraph of this Article, the shareholders are entitled to demand the board of directors to take enforcement action within 30 days. In the event that the board of directors fails to take the enforcement action within the aforesaid time limit, the shareholders are entitled to institute proceedings in their own names at the people's court for the benefit of the Company.

In the event that the board of directors of the Company does not comply with the provisions of the first paragraph of this Article, the directors who are liable for the matter shall assume joint liability under the law.

Where the laws, regulations and the securities regulatory authorities or the stock exchanges of places where the shares of the Company are listed contain provisions which stipulate on the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

Article 33 The shareholders of the Company shall have the following rights:

(1) to receive dividends and other profit distribution in proportion to the number of shares held by them;

(2) to propose, convene, preside over, attend in person or appoint a proxy to attend the shareholders' general meeting, and to exercise the corresponding right to speak and vote in accordance with laws;

(3) to supervise and to put forward proposals and make enquires relating to the business operational activities of the Company;

(4) to transfer, donate or pledge their shares in accordance with laws, administrative regulations and these Articles of Association;

(5) to inspect these Articles of Association, register of shareholders, counterfoils of corporate bonds, minutes of the shareholders' general meetings, resolutions of the meetings of the board of directors~~, resolutions of the meetings of the board of supervisors~~ and financial reports;

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of residual assets of the Company according to the number of shares held by them;

(7) the right to request the Company to purchase the shares held by that shareholder if such shareholder objects to a resolution of the shareholders' general meeting on the merger or division of the Company;

(8) other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles of Association.

Article 36 If a director or senior management personnel (other than the members of the audit committee) has violated any laws, administrative regulations or these Articles of Association in the course of performing his or her duties to the Company, and thereby caused the Company to incur a loss, a shareholder or shareholders who individually or jointly hold 1% or more of the Company's shares for more than 180 consecutive days has the right to request in writing the audit committee~~board of supervisors~~ to initiate proceedings in the people's court. If a member of the audit committee~~the~~ ~~board of supervisors~~ has violated the laws, administrative regulations or these Articles of Association in the course of performing its duties to the Company, and thereby caused the Company to incur a loss, aforementioned shareholder(s) may request in writing the board of directors to initiate proceedings in the people's court in respect thereof.

If the ~~board of supervisors~~audit committee or the board of directors refuses to initiate proceedings after receipt of a written request from the shareholder(s) as mentioned in the preceding paragraph, or fails to initiate proceedings within 30 days from the date of receipt of the request, or under urgent circumstances where failure to promptly initiate proceedings would cause irreparable harm to the Company's interests, the shareholders mentioned in the preceding paragraph are entitled to directly initiate proceedings in the people's court in their own name in the interests of the Company.

If any third party infringes the lawful rights of the Company and has caused a loss to the Company, the shareholders mentioned in the first paragraph of this Article may initiate proceedings in the people's court according to the provisions of the two preceding paragraphs.

Article 41 The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:

~~(1) to decide on the Company's operational policies and investment plans;~~

~~(2)~~ (1) to elect and replace the directors ~~and supervisors~~ assumed by non-representatives of the employees and decide on matters relating to the remuneration of the directors ~~and supervisors~~;

~~(3)~~ (2) to review and approve the reports of the board of directors;

~~(4) to review and approve the reports of the board of supervisors;~~

~~(5) to review and approve the Company's proposed annual financial budget and final accounts;~~

~~(6)~~ (3) to review and approve the Company's profit distribution plans and loss recovery plans;

~~(7)~~ (4) to decide on the increase or reduction of the Company's registered capital;

~~(8)~~ (5) to decide on the issue of bonds by the Company;

~~(9)~~ (6) to decide on merger, division, dissolution, liquidation of the Company, or changes in the form of the Company;

~~(10)~~ (7) to amend these Articles of Association;

~~(11)~~ (8) to decide on the appointment or dismissal of the accounting firms of the Company;

~~(12)~~ (9) to review and approve the security-related matters stipulated in Article 42;

~~(13)~~ (10) to review the matters of purchase and/or sale by the Company within one year of significant assets exceeding 30% of the latest audited total assets of the Company;

~~(14)~~ (11) to review and approve the change of the use of the raised funds;

~~(15)~~ (12) to review stock incentive plans and employee stock ownership plans;

~~(16)~~ (13) to review other matters which, according to laws, administrative regulations, departmental rules or these Articles of Association, are subject to shareholders' approval in general meetings.

Article 44 The Company shall convene an extraordinary general meeting within 2 months from the occurrence of any one of the following events:

(1) where the number of directors is less than the number stipulated in the Company Law or two-thirds of the number specified in these Articles of Association;

(2) where the unrecovered losses of the Company amount to one-third of the total amount of its paid-in share capital;

(3) where shareholder(s) who individually or jointly hold(s) 10% or more of the Company's shares request(s);

(4) whenever the board of directors deems necessary;

(5) when the ~~board of supervisors~~audit committee so requests;

(6) other circumstances specified in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

Article 45 The venue of the shareholders' general meetings of the Company shall be the domicile of the Company or other location specified in the notice of the shareholders' general meeting. Shareholders' general meetings shall be held onsite at a venue. The Company may also provide an online platform or other electronic means, or a combination of on-site meeting and electronic means for its shareholders to conveniently participate in shareholders' general meetings and vote by electronic means during such meetings. Shareholders participating in a shareholders' general meeting by the aforementioned means shall be deemed to have attended such meeting.

After the notice of the shareholders' general meeting is issued, the venue of the shareholders' general meeting to be held onsite shall not be changed without proper reasons. In the case of any necessary change, the convener shall notify every shareholder and give the reasons therefor at least two working days prior to the date on which the onsite meeting is scheduled.

Article 48 The audit committee~~board of supervisors~~ has the right to propose to the board to convene extraordinary general meetings and such proposal shall be made by way of written request(s). The board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

Where the board agrees to convene such extraordinary general meeting, a notice to convene such general meeting shall be issued within five days after the passing of the relevant resolution by the board, provided that any changes to the original proposal shall be subject to the consent being obtained from the ~~board of supervisors~~audit committee.

Where the board disagrees to convene such extraordinary general meeting, or where the board fails to provide any response within ten days after receiving such proposal, it shall be deemed that the board has not been able to perform or it does not perform its duty to convene such general meeting, and the ~~board of supervisors~~audit committee may by itself convene and preside over such meeting.

Article 49 Shareholders separately or aggregately holding 10% or more of the Company's shares have the right to propose to the board to convene an extraordinary general meeting by way of written request(s). The board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the request in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

If the board agrees to convene the extraordinary general meeting, notice convening the meeting shall be issued within five days after the board resolved to do so. If the board makes alterations to the original proposal in the notice, consent has to be obtained from the related shareholders.

If the board of directors does not agree to convene the extraordinary general meeting or does not reply within ten days upon receiving the request, shareholders separately or aggregately holding 10% or more of the Company's shares have the right to propose to the ~~board of supervisors~~audit committee to convene an extraordinary general meeting by way of written request(s).

If the ~~board of supervisors~~audit committee agrees to convene the extraordinary general meeting, notice convening the extraordinary general meeting shall be issued within five days upon receiving the request. Should there be alterations to the original requests in the notice, consent has to be obtained from the related shareholders.

If the ~~board of supervisors~~audit committee does not issue notice of the extraordinary general meeting within the required period, it will be considered as not going to convene and preside over the extraordinary general meeting, and shareholders separately or aggregately holding 10% or more of the shares of the Company for ninety or more consecutive days have the right to convene and preside over the meeting on their own.

Article 50 If the audit committee~~board of supervisors~~ or shareholders decide to convene the general meeting on their own initiative, they shall notify the board in writing, and at the same time file such notice with the stock exchange(s) where the shares of the Company are listed.

Before the resolution of the shareholders' general meeting is made, the shareholding proportion of the convening shareholders shall not be less than 10%.

Article 51 With regard to the shareholders' general meeting convened by the audit committee~~board of supervisors~~ or shareholders on their own initiative, the board of directors and the board secretary shall provide assistance. The board of directors shall provide the register of shareholders as of the record date for the general meeting. The register of shareholders obtained by the convener shall not be used for any purpose other than convening a shareholders' general meeting.

Article 52 The Company shall bear costs and expenses necessary for the shareholders' general meetings, which are convened by the ~~board of supervisors~~audit committee or shareholders on their own initiative.

Article 54 When the Company convenes the shareholders' general meeting, the board of directors, the ~~board of supervisors~~audit committee or shareholders, individually or in aggregate, holding no less than 3% of the shares of the Company shall have the right to put forward proposals to the Company.

A shareholder alone or shareholders jointly holding no less than 3% of the shares of the Company may submit interim proposals in writing to the convenor ten days prior to the date of general meeting. The convenor shall issue a supplemental notice of general meeting within two days after receipt of the proposals, with such interim proposals announced.

Except as provided in the preceding paragraph, the convenor, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meeting nor add new proposals.

The general meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the shareholders' general meeting or that is inconsistent with Article 53 of these Articles of Association.

Article 57 Where the elections of directors ~~and supervisors~~ are to be discussed, a notice of the general meeting shall fully disclose the particulars of the candidates for directors ~~and supervisors~~ and shall at least include the following contents:

(1) personal particulars such as educational background, working experience and part-time jobs;

(2) whether or not the candidate has any connected relationship with the Company or its controlling shareholders and de facto controllers;

(3) the number of shares of the Company held by the candidate;

(4) whether or not the candidate has been subject to penalties by the CSRC and other relevant authorities as well as sanctions by any stock exchange.

Except for the election of directors ~~and supervisors~~ by cumulative voting mechanism, the nomination proposal on each candidate for director ~~or supervisor~~ shall submit in the form of independent proposal (or to be voted on individually in the same proposal).

Article 60 All the shareholders or their proxies recorded in the register of shareholders on the record date are entitled to attend the shareholders' general meeting, and shall exercise their voting rights in accordance with the relevant laws, regulations, the Hong Kong Listing Rules and these Articles of Association. The Company and the convener shall not refuse for any reason.

Shareholders may attend a general meeting in person and may appoint a proxy to attend and vote on their behalf, which shall also be deemed to be attending the meeting in person.

Hong Kong Securities Clearing Company Limited is entitled to appoint proxies or corporate representatives to attend the shareholders' general meetings and creditors meetings and those proxies or corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote at the shareholders' general meetings.

Article 61 An individual shareholder who attends the shareholders' general meeting in person shall present his/her identity card or other valid identification documents or certificates, or his/her stock account card. Where a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the proxy form.

A corporate/partnership shareholder shall attend the meeting by its legal representative/managing partner (its appointed representative) or a proxy appointed. The legal representative/managing partner (its appointed representative) who attends the shareholders' general meeting shall present his/her identity card and valid

certification documents which can prove his/her authority to act as the legal representative/managing partner (its appointed representative). Where a proxy is appointed to attend the meeting, the proxy shall present his/her own identity card and the written proxy form issued in accordance with the law by the legal representative/managing partner (its appointed representative) of the corporate/partnership shareholder (except for recognized clearing house (or its proxy)).

Article 65 If the proxy form is signed by a person authorized by the appointor, the powers of attorney or other instruments of authorization under which is signed shall be notarized. The powers of attorney or other instruments of authorization so notarized and the proxy form shall be deposited at the domicile of the Company or such other place as the notice of meeting may specify before the convention of the relevant meetings or the specific voting or provided to the Company through alternative means (such as electronic means), provided that applicable laws and regulations and listing rules of the stock exchange(s) where the shares of the Company are listed are not violated.

If the appointor is a legal person/partnership, such shareholder shall be represented at the general meeting of the Company by its legal representative/managing partner (its appointed representative) or the person authorized by its board of directors or other decision-making body of such appointor.

Article 68 When the general meeting is being held, all directors~~, supervisors~~ and board secretary of the Company shall be present at the meeting, and the general managers and other senior management personnel shall also attend the meeting without the voting rights.

Article 69 The general meeting shall be chaired by the chairperson of the board. In the event the chairperson of the board is unable to perform his/her duties or fails to perform his/her duties, the general meeting shall be chaired by the vice chairperson. Where the vice chairperson is unable to perform his/her duties or fails to perform his/her duties, the general meeting shall be chaired by a director jointly nominated by no less than half of the directors.

A general meeting convened by the ~~board of supervisors~~audit committee shall be chaired by the ~~chairperson of the board of supervisors~~convenor of the audit committee. In the event the ~~chairperson of the board of supervisors~~convenor of the audit committee is unable to perform his/her duties or fails to perform his/her duties, a ~~supervisor~~member of the audit committee jointly elected by no less than half of the ~~supervisors~~members of the audit committee shall preside over the meeting.

A general meeting convened by shareholders shall be chaired by the representative nominated by the convener of such meeting.

In convening any general meeting, if the chairperson of the meeting has violated these Articles of Association~~the rules of procedures~~, such that the meeting may not proceed further, with the consent of shareholders representing no less than half of the voting rights present at such meeting, the general meeting may elect a person to chair the meeting so that the meeting may proceed further.

Article 71 At the annual general meeting, the board and the ~~board of supervisors~~audit committee shall report to the general meeting on their work in the past year. Each independent director shall also report on their work.

Article 72 Directors, ~~supervisors,~~ senior management personnel shall offer clarifications and explanations to the interpellations and suggestions made by shareholders during the general meeting.

Article 74 Minutes of shareholders' general meetings shall be compiled by the secretary to the board.

The minutes shall contain the following:

(1) the date, place and agenda of the meeting, and the name of the convener;

(2) the name of the chairperson of the meeting, and the names of directors, ~~supervisors,~~ general managers and other senior management personnel present or in attendance at the meeting;

(3) the number of shareholders and proxies attending the meeting, the total number of their voting shares and their respective proportions to the total number of shares of the Company;

(4) the proceeding of examination of each proposal, summary of the points discussed and results of voting;

(5) questions and proposals put forward by shareholders and the answers or explanation thereof;

(6) names of lawyers and vote-counters and scrutineers;

(7) such other matters as shall be recorded in the minutes of meetings pursuant to these Articles of Association.

Article 75 The convener shall ensure that the contents of the minutes of meetings are authentic, accurate and complete. Directors, ~~supervisors,~~ the board secretary, the convener or his/her representative and the chairperson of meeting present at the shareholders' general meeting shall sign on the minutes of the meeting. Minutes of meetings shall be kept together with the attendance list for shareholders and authorization letters given for proxies, and any other valid information concerning online exercise of voting rights or otherwise. The period of maintaining such records shall be no less than ten years.

Article 77 Resolutions of the general meeting include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by shareholders in attendance (including proxies) holding ~~more than half of~~a majority of the voting rights.

Special resolution at a general meeting shall be adopted by shareholders in attendance (including proxies) holding at least two-thirds of the voting rights.

Article 78 The following matters shall be approved by an ordinary resolution of a general meeting:

(1) work reports of the board of directors ~~and the board of supervisors~~;

(2) proposals formulated by the board of directors for distribution of profits and for making up accrued losses;

(3) appointment and removal of members of the board of directors ~~and the board of supervisors~~, their remuneration and method of payment of their remuneration;

(4) annual budget and final accounts of the Company;

(5) annual report of the Company;

(6) all matters required to be approved by a general meeting other than those required to be approved by way of special resolution under any laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

Article 83 Lists of candidates for directors ~~and supervisors~~ shall be proposed to the shareholders' general meeting for voting.

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

Cumulative voting system referred to in the preceding paragraph means a system of voting for the election of directors ~~or supervisors~~ at the general meeting under which voting rights of each share is equal to the number of directors ~~or supervisors~~ to be elected and the shareholder can cast all his/her votes in the same manner. The board of directors shall provide the shareholders with the biographical details and basic information of the candidates for directors ~~and supervisors~~.

Article 88 Before the relevant proposal is voted on 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 has related relationship with the matter under consideration and his/her proxy shall not take part in counting and scrutinizing the voting.

There shall be lawyers~~,~~and representatives of shareholders ~~and representatives of supervisors~~ to count and scrutinize the voting jointly when proposals are voted on at a general meeting. The results shall be declared at the meeting and recorded in the minutes of the meeting.

Shareholders or their proxies, who have cast their votes by internet or other methods, shall have the right to verify their voting results in the corresponding voting system.

Article 94 If the proposal on election of new directors ~~and supervisors~~ is passed at the general meeting, unless otherwise provided in the resolutions of the general meeting, new directors ~~and supervisors~~ shall take the position immediately after the resolution is passed at the general meeting.

Article 96 Directors shall be natural persons. A person shall be disqualified from being a director of the Company in each of the following circumstances:

(1) a person who suffers from any incapacity or restricted capacity from undertaking civil liabilities;

(2) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the socialist market economic order, where less than five years have elapsed since the sentence was served or a person who has been deprived of his political rights for committing a crime, where less than five years have elapsed since the sentence was served;

(3) a person who is a former director, factory manager or manager of a company or enterprise which has been put into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;

(4) a person who is a former legal representative of a company or enterprise the business license of which was revoked and is ordered to close down due to a violation of law and who was personally liable therefore, where less than three years have elapsed since the date of the revocation of the business license;

(5) a person who has a relatively large amount of debts due and outstanding;

(6) a person who has been forbidden by the CSRC with a penalty to access the securities market and who is still in the period of penalty;

(7) any other circumstances provided by laws, administrative regulations, other regulatory documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed.

Where the Company elects or appoints any director by violating the provisions in the preceding paragraph, such elections or appointments shall be deemed invalid. Where any director, during his/her term of office, is under any of the circumstances as mentioned in this Article, the Company shall remove him/her from his/her position.

Article 99 Directors shall abide by laws, administrative regulations and these Articles of Association and perform the following duties of diligence to the Company:

(1) to exercise the rights conferred by the Company in a prudent, careful and diligent way so as to ensure that the business activities of the Company are in compliance with the PRC laws, administrative regulations and various economic policies of the PRC, and that the business activities do not exceed the business scope specified in the business license of the Company;

(2) to treat all shareholders equally;

(3) to timely understand the business operations and management of the Company;

(4) 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;

(5) to provide information and materials according to the facts to the ~~board of supervisors~~audit committee and not to hinder the ~~board of supervisors or supervisors~~ members of the audit committee from exercising their powers;

(6) other duties of diligence as prescribed by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Article 110 The board of directors shall consist of 9 ~~to 12~~ or more directors~~, including 6 non-independent directors and 3 independent directors~~. The directors comprise executive directors, non-executive directors and independent directors.

Article 111 The board of directors shall exercise the following functions and powers:

(1) to convene general meetings and report to the general meetings;

(2) to implement resolutions of the general meetings;

(3) to decide on the Company's business plans and investment plans;

~~(4) to formulate the annual financial budgets plans and final accounts plans of the Company;~~

~~(5)~~ (4) to formulate the Company's profit distribution plans and plans on making up losses;

~~(6)~~ (5) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities of the Company and listing of shares of the Company;

~~(7)~~ (6) to formulate plans for the Company's major acquisition, acquisition of the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;

~~(8)~~ (7) to decide on matters such as external investments, acquisition or sale of assets, pledge of assets, external guarantees, entrusted wealth management, connected transactions and donations of the Company within the scope of authorization by the general meeting;

~~(9)~~ (8) to decide on establishment of internal management organs of the Company;

~~(10)~~ (9) to decide on the appointment or dismissal of the Company's general manager, secretary to the board of directors and other senior management members, and to decide on matters over the remunerations and rewards and punishments thereof; and to decide on the appointment or dismissal of the Company's deputy general manager, chief financial officer and other senior management as well as their remunerations and rewards and punishments according to the nomination of the general manager;

~~(11)~~ (10) to formulate the basic management system of the Company;

~~(12)~~ (11) to formulate proposals to amend these Articles of Association;

~~(13)~~ (12) to manage the disclosure of the Company's information;

~~(14)~~ (13) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;

~~(15)~~ (14) to listen to the work report of the general manager of the Company and to inspect the work of the general manager of the Company;

~~(16)~~ (15) other functions and powers provided for in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association.

Article 118 The board of directors shall convene at least two meetings every year, and the board meetings shall be convened and presided over by the chairperson. All the directors ~~and supervisors~~ shall be notified in writing 10 days prior to the convening of a board meeting.

Article 119 Shareholders representing no less than 1/10 of all voting rights, no less than 1/3 of all the directors or the ~~board of supervisors~~audit committee may propose to convene an extraordinary board meeting. The chairperson shall convene and preside over the board meeting within 10 days upon receipt of the proposal.

Article 120 Notice of extraordinary meetings of the board of directors shall be delivered in person, by mail, e-mail, facsimile, etc. All the directors ~~and supervisors~~ shall be notified 5 days prior to the convening of an extraordinary board meeting. The aforementioned notice period may be shortened or waived with the unanimous written consent of all directors.

Article 128 The board of the Company shall establish an audit committee to exercise the functions and powers of the board of supervisors as required by the Company Law.

Article 129 The audit committee shall be responsible for auditing the Company's financial information and its disclosure, and supervising and evaluating internal and external audit and internal control. The following matters shall be submitted to the board of directors for review after obtaining approval from more than half of all members of the audit committee:

(1) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(2) appointment or dismissal of accounting firms handling the audit business of the listed company;

(3) appointment or dismissal of the chief financial officer of the listed Company;

(4) changes in accounting policies, accounting estimates or major corrections of accounting errors for reasons other than changes in accounting standards;

(5) other matters stipulated by the laws, administrative regulations, the provisions of CSRC, and these Articles of Association.

Article 130 The audit committee meetings are divided into regular meetings and extraordinary meetings. Regular meetings of the audit committee shall be convened at least once a quarter, shall be notified to all members five days before the date of convening the meeting. An extraordinary meeting may be convened by more than half of the committee members or by the chairman of the audit committee, and shall be notified to all members three days before the date of convening the meeting. The aforesaid notice period may be waived with written consent from more than half of all members.

The resolutions made by the audit committee shall be passed by more than half of the members of the audit committee.

Voting on the resolutions of audit committee shall be one person, one vote.

Minutes shall be prepared for the resolutions of the audit committee as required and shall be signed by the members of the audit committee present at the meetings.

Article 131 The board of the Company shall establish the audit committee, the nomination committee and other special committees.

Article ~~128~~132 ~~The board of the Company shall set up the audit committee, the nomination committee and the remuneration committee.~~ The special committees shall be accountable to the board, fulfill duties according to these Articles of Association and the authorization of the board of directors, and their proposals shall be submitted to the board of directors for deliberation.

The personnel composition and rules of procedures of the special committees shall be resolved separately by the board of directors.

Article ~~129~~133 Each special committee may engage an intermediary agency to provide professional advice at the expense of the Company.

CHAPTER 6 GENERAL MANAGER AND OTHER MEMBERS OF THE SENIOR MANAGEMENT

Article ~~130~~134 The Company has one general manager and several deputy general managers, all of whom shall be appointed or dismissed by the board of directors.

The general manager, deputy general managers, financial officer, secretary to the board of directors and other senior management personnel recognized by the board of directors are senior management members of the Company.

Article ~~131~~135 The circumstances of disqualification for directors prescribed in Article 96 of these Articles of Association shall be applicable to senior management members.

Provisions regarding the duty of fidelity of directors under Article 98 and the duty of diligence of directors under items (4) to (6) of Article 99 hereof shall be applicable to senior management members.

Article ~~132~~136 Any person who takes an administrative role other than a director or a supervisor in the controlling shareholders of the Company shall not serve as a senior management member of the Company.

The senior management members of the Company shall only receive remuneration from the Company, not from the controlling shareholders on behalf of the Company.

Article ~~133~~137 The term of office of the general manager shall be three years, and may serve consecutive terms if re-appointed after expiry thereof.

Article ~~134~~138 The general manager shall be accountable to the board of directors and exercise the following functions and powers:

(1) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the board of directors, and to report his/her work to the board of directors;

(2) to organize the implementation of the Company's annual business plans and investment plans;

(3) to draft plans for the establishment of the Company's internal management organizations;

(4) to draft the Company's basic management system;

(5) to formulate the specific rules and regulations of the Company;

(6) to propose to the board of directors appointment or dismissal of deputy general managers and chief financial officer of the Company;

(7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board of directors;

(8) such other functions and powers conferred by these Articles of Association or the board of directors.

The general manager shall be present at the meetings of the board of directors.

Article ~~135~~139 The general manager shall formulate working rules of the general manager, and shall be implemented after being approved by the board of directors.

Article ~~136~~140 The manager's working rules include the following contents:

(1) conditions, procedures and participants of the general manager's meeting;

(2) respective responsibilities and work allocation of the general manager and other senior management members of the Company;

(3) use of funds and assets of the Company, scope of authorization to enter into material contracts and reporting policies regarding the board of directors ~~and the board of supervisors~~;

(4) other matters which the board of directors deems necessary.

Article ~~137~~141 The general manager may resign before expiry of his/her term of office. The specific procedures and methods for the resignation of the general manager shall be specified in the employment contract concluded by the general manager and the Company.

Article ~~138~~142 The Company shall have a secretary to the board of directors, whose responsibilities include preparing general meetings and board meetings of the Company, maintaining documents and managing shareholder information of the Company, and handling the information disclosure of the Company.

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

Article ~~139~~143 The senior management member shall be liable for the compensation to the Company for losses caused should he/she violate the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the shares of the Company are listed or these Articles of Association when performing the duties.

Article ~~140~~144 Senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. Senior management members of the Company shall be liable for compensation in accordance with relevant laws if they fail to faithfully perform their duties or breach their fiduciary duty and cause damage to the interests of the Company and the shareholders of public shares.

~~**CHAPTER 7 BOARD OF SUPERVISORS**~~

~~**Section 1 Supervisors**~~

~~**Article 141** The circumstances of disqualification for directors prescribed in Article 96 of these Articles of Association shall be applicable to supervisors.~~

~~Any directors, general managers and other senior management members shall not act concurrently as supervisors.~~

~~**Article 142** The supervisors shall observe the laws, administrative regulations and these Articles of Association. They shall perform the duties of fidelity and diligence to the Company, and shall not accept any bribery or other illegal income by using his/her powers and position, or misappropriate the property of the Company.~~

~~**Article 143** The term of office of each supervisor shall be a period of three years, renewable upon re-election after expiry thereof.~~

~~**Article 144** Where the tenure of supervisors expires and re-election has not yet been made in a timely manner, or where a supervisor resigns during his/her tenure resulting in the number of supervisors falling below the necessary quorum of meeting of the board of supervisors, the original supervisors shall (before the re-election of the new supervisors) continue to perform their duties as supervisors pursuant to the provisions of laws, administrative regulations and these Articles of Association.~~

~~**Article 145** A supervisor shall ensure that information disclosed by the Company is true, accurate and complete and he/she shall sign on the periodical report with written confirmation.~~

~~**Article 146** Supervisors shall attend board meetings and may raise queries or proposals regarding matters resolved at such meetings.~~

~~**Article 147** Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.~~

~~**Article 148** If supervisors have violated the provisions of any laws, administrative regulations, departmental rules or these Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.~~

~~**Section 2 Board of Supervisors**~~

~~**Article 149** The Company shall establish a board of supervisors. The board of supervisors shall consist of three supervisors.~~

~~The board of supervisors shall appoint a chairperson, who shall be elected by more than half of the supervisors. The meetings of the board of supervisors shall be convened and presided over by the chairperson of the board of supervisors. If the chairperson of the board of supervisors is unable or fails to perform his/her duties, such meeting shall be convened and presided over by a supervisor elected by half or more of the supervisors.~~

~~The board of supervisors consists of shareholder representatives and an appropriate proportion of employee representatives of the Company, which proportion shall not be lower than 1/3. The employee representatives of the board of supervisors shall be elected by employees of the Company at the employee representatives' meeting, employee meeting or otherwise democratically.~~

~~**Article 150** The board of supervisors shall exercise the following functions and powers:~~

~~(1) to review and give written opinions on the Company's periodic reports prepared by the board of directors;~~

~~(2) to examine the Company's financial matters;~~

~~(3) to supervise the performance by the directors and senior management of their duties to the Company and propose the dismissal of the directors and senior management who violate the laws, administrative regulations, these Articles of Association or the resolutions of the general meeting;~~

~~(4) to demand rectification from the directors and senior management when the acts of such persons are harmful to the Company's interests;~~

~~(5) to propose the convening of extraordinary general meetings; to convene and preside over the general meetings in the event that the board of directors fails to perform its duties to convene and preside over the general meetings as stipulated in the Company Law;~~

~~(6) to submit proposals to the general meetings;~~

~~(7) to file lawsuits against directors and senior management in accordance with Article 151 of the Company Law;~~

~~(8) in case of any abnormal matters during the business operation of the Company, to investigate, and if necessary, to engage professional organizations such as accounting firms or law firms to assist its work with expenses being borne by the Company;~~

~~(9) other functions and powers provided by laws, administrative regulations and these Articles of Association.~~

~~When the board of supervisors reviews item (1) of the first paragraph of this Article, the supervisors shall sign written confirmation on the authenticity, accuracy, and completeness of the periodic reports in accordance with the laws, and shall not entrust others to sign, nor refuse to sign for any reason.~~

~~If the supervisors are unable to guarantee the authenticity, accuracy, and completeness of the content of the periodic reports, or if there are objections to the content of the periodic reports, they shall express their opinions and explain the specific reasons in the written confirmation.~~

~~**Article 151** Meetings of the board of supervisors shall be held at least once every six months. All the supervisors shall be notified 10 days prior to the convening of a meeting of the board of supervisors. Any of the supervisors may propose to hold extraordinary meetings of the board of supervisors. All the supervisors shall be notified 5 days prior to the convening of an extraordinary meeting of the board of supervisors. The aforementioned notice period may be shortened or waived with the unanimous consent of all supervisors.~~

~~Resolutions of the board of supervisors shall be passed by more than half of the supervisors.~~

~~**Article 152** The board of supervisors shall formulate the rules of procedures of the board of supervisors, specify the method for conducting business and the voting procedures of the board of supervisors, so as to ensure the working efficiency and scientific decision making of the board of supervisors. The rules of procedures of the board of supervisors shall be drafted by the board of supervisors and approved by the shareholders' general meeting.~~

~~**Article 153** The board of supervisors shall keep minutes of its decisions on the matters discussed at the meeting. Supervisors attending the meeting shall sign their names on the minutes of the meeting.~~

~~A supervisor is entitled to request the points made by him/her as expressed in his/her discussion to be recorded as representations made in the meeting. As the Company's files, the minutes of the meetings of the board of supervisors shall be kept for a period of no less than 10 years.~~

~~**Article 154** A notice of meeting of the board of supervisors shall include the following:~~

~~(1) date and venue of meeting and duration of the meeting;~~

~~(2) reasons and agenda;~~

~~(3) date of issue of the notice.~~

CHAPTER ~~8~~7 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Section 1 Financial and Accounting System

Article ~~155~~145 The Company shall establish the financial and accounting system according to laws, administrative regulations and the regulations of the financial department of the State Council.

Article ~~156~~146 The Company shall publish its annual report within four months from the ending date of each financial year, and its interim report within three months from the ending date of the first half of each financial year. The above-mentioned annual and interim reports shall be prepared in accordance with the relevant laws, administrative regulations and the provisions of the CSRC and the stock exchange(s).

Where the Hong Kong Listing Rules have other provisions on the submission and disclosure of annual reports and interim reports, such provisions shall prevail.

Article ~~157~~147 The Company shall not keep separate books of accounts apart from its statutory books of account. The assets of the Company shall not be deposited in any account opened in the name of any individual.

Article ~~158~~148 Where the Company distributes its profits after tax for the current year, it shall allocate 10 percent of the profits after tax as the Company's statutory reserve fund, provided that no allocation is required if the accumulated statutory reserve fund represents no less than 50 percent of the registered capital of the Company.

Where the statutory reserve fund of the Company is not sufficient to cover the Company's loss from the previous year, the profits for the current year shall be used to cover such loss before allocation is made to the statutory reserve fund pursuant to the previous paragraph.

After allocation to the statutory reserve fund has been made from the profits after tax, the Company may allocate discretionary reserve fund from the profits after tax upon approval by the general meeting.

Upon making up for the losses incurred and allocating to the statutory reserve fund, the balance of the profits after tax shall be distributed to the shareholders in proportion to their respective shareholdings, save for distribution which is not made in proportion to shareholdings as specified in these Articles of Association.

If the general meeting distributes profits to the shareholders before the Company recovers losses and withdraws statutory reserve fund in violation of the preceding paragraphs, the shareholders must return to the Company the profits so distributed.

The shares of the Company held by the Company shall not be subject to profit distribution.

Article ~~159~~149 The Company's reserve funds shall be used to make up for the losses of the Company, to expand the scale of production and operation of the Company or to enlarge the Company's capital. However, capital reserve shall not be applied to make up for the losses of the Company.

When the statutory reserve fund is converted into capital, the balance of such reserve shall not be less than 25% of the Company's registered capital prior to the conversion.

Article ~~160~~150 After the passing of a resolution on the proposal for profit distribution at a shareholders' general meeting, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months after the date of the relevant general meeting.

Article ~~161~~151 The profit distribution policy of the Company is as follows:

(I) Decision-making procedures and mechanism for profit distribution policy

1. Decision-making mechanism and procedures for the implementation of profit distribution policy

(1) When the board of directors of the Company proposes a cash dividend distribution, the board of directors shall carefully study and demonstrate, among other things, the timing, conditions and minimum proportion, adjustment conditions and decision-making procedure requirements for the cash dividend distribution of the Company, and the independent directors shall express clear opinions.

(2) The profit distribution policy of the Company shall be proposed by the board of directors to the shareholders' general meeting of the Company. The profit distribution policy proposed by the board of directors shall be approved by a majority vote of the board of directors, and the independent directors shall express their independent opinions on the profit distribution policy.

In the event of misappropriation of the Company's funds by a shareholder, the Company shall deduct the funds misappropriated from the cash dividends to be distributed to that shareholder as compensation.

2. Decision-making mechanism and procedures for adjustment of profit distribution policy

(1) In the event of force majeure such as wars and natural disasters, changes in the external operating environment of the Company that have a significant impact on the Company's production and operation, or material changes in the Company's operating conditions, the Company may adjust the profit distribution policy.

(2) For the adjustment of the Company's profit distribution policy, the board of directors shall make a specific discussion, demonstrate the reasons in detail for the adjustment and prepare a written demonstration report, which shall be submitted to the shareholders' general meeting for consideration when the independent directors have expressed their independent opinions thereon, and the relevant resolutions shall be approved by more than two-thirds of the voting rights held by shareholders present at the general meeting.

(3) The Company encourages small and medium-sized investors and institutional investors to actively participate in the decision-making of the Company for profit distribution. Before considering the specific profit distribution plan, the shareholders' general meeting of the Company shall fully listen to the opinions and demands of the minority shareholders and respond to the concerns of the minority shareholders in a timely manner.

(II) Details of the profit distribution policy

1. Form of profit distribution

The Company may distribute dividends in cash, stocks or a combination of cash and stocks, and give priority to profit distribution in cash.

2. Specific conditions and proportion of cash dividends

Provided that the Company has reserved statutory reserve fund and surplus reserve fund in full and the conditions for cash dividends are satisfied, the Company may distribute cash dividends. The specific proportion of dividends for each year shall be resolved by the board of directors in view of the annual profits and the future fund use plan.

The "conditions for cash dividend distribution" referred to in the preceding paragraph are as follows:

(1) The Company is profitable for the accounting year, and the auditor has issued an audit report with unqualified opinions on the annual financial statements for the corresponding year;

(2) The capital requirements to ensure the normal operation and long-term development of the Company;

(3) There are no other circumstances that the board of directors deems inappropriate to distribute cash dividends.

When the Company distributes profits, the board of directors of the Company shall formulate cash dividend policies in accordance with the procedures stipulated in the Articles of Association, comprehensively considering its industry-specific characteristics, development stage, its own business model, profitability, whether there are major capital expenditure arrangements and other factors.

3. Conditions required for distributing stock dividend

If the Company is in a good operating status, and the board of directors considers that the Company's share price is not proportional to the scale of its share capital, and distributing stock dividend is beneficial to all shareholders' interests, then the board of directors may propose a plan for distributing stock dividend subject to the satisfaction of the abovementioned conditions for cash dividend distribution.

4. Interval of profit distribution

Subject to the satisfaction of the abovementioned conditions for cash dividend distribution, the Company, in principle, adopts an annual profit distribution policy. The board of directors of the Company may propose an interim profit distribution plan according to profitability, cash flow and capital demand plan, which shall be implemented upon consideration and approval by the extraordinary general meeting.

Section 2 Internal Auditing

Article ~~162~~152 The Company implements an internal audit system and is equipped with full- time auditors to conduct internal audit supervision on the Company's financial revenue and expenditures and economic activities.

Article ~~163~~153 The Company's internal audit system and the responsibilities of the auditing personnel shall be carried out after obtaining approval by the board of directors. The auditor-in- chief shall be accountable and report to the board of directors.

Section 3 Appointment of Accounting Firm

Article ~~164~~154 The Company shall engage an accounting firm which satisfies the requirements of the Securities Law to audit the financial statements, verify the values of net assets, and conduct other related consultancy services. The term of appointment is 1 year and may be renewed.

Article ~~165~~155 The engagement of an accounting firm by the Company shall be decided by a shareholders' general meeting, and no accounting firm shall be appointed by the board of directors prior to the decision of the shareholders' general meeting.

Article ~~166~~156 The Company guarantees to provide true and complete vouchers, books, financial and accounting reports and other accounting materials to the accounting firm engaged and shall not refuse to provide or conceal or give false information.

Article ~~167~~157 The auditing fee of the accounting firm shall be decided by the shareholders' general meeting.

Article ~~168~~158 If the Company removes or does not re-appoint an accounting firm, it shall notify the accounting firm 30 days in advance. The accounting firm shall be allowed to state its opinion at the time when the shareholders' general meeting is voting for removal of the accounting firm.

An accounting firm tendering resignation shall inform the shareholders' general meeting as to whether there is any irregularity on the part of the Company.

CHAPTER ~~9~~8 NOTICE

Article ~~169~~159 the notice of the Company shall be issued in the following forms:

(1) by hand;

(2) by mail or e-mail;

(3) by facsimile;

(4) by announcement;

(5) other forms as stipulated in these Articles of Association.

Article ~~170~~160 Notice issued by the Company by way of announcement shall, upon announcement, be deemed to have been received by all persons concerned.

Article ~~171~~161 Notice of convening the shareholders' general meeting of the Company shall be made by announcement.

Article ~~172~~162 Notice of convening the board meeting of the Company shall be sent by announcement, hand, facsimile, mail, e-mail, etc.

~~**Article 173** Notice of convening the meeting of the board of supervisors of the Company shall be sent by hand, facsimile, mail, e-mail, etc.~~

Article ~~174~~163 Where a notice of the Company is served by hand, the addressee shall be required to sign his/her name (or affix his/her chop) on the receipt, and the signing date of the receipt shall be the date of service; where a notice of a meeting is sent by post, such notice is deemed served 48 hours after it is deposited at the post office. Notice of a meeting given by fax will be deemed served at the recorded time of the fax machine confirming successful transmission. Where a notice of a meeting is sent by email, the date it successfully reaches the other party's server shall be the date of service. For any notices issued by the Company by way of announcement, the date of first publication shall be the date of service.

Article ~~175~~164 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions approved at the meeting.

CHAPTER ~~10~~9 MERGER, DIVISION, INCREASE OF REGISTERED CAPITAL, REDUCTION OF REGISTERED CAPITAL, DISSOLUTION AND LIQUIDATION

Article ~~176~~165 In the case of merger, the Company may take the form of merger by absorption or merger by new establishment. In the case of mergers by absorption, a company absorbs other companies and the absorbed company is dissolved. In the case of mergers by new establishment, two or more companies combine together for the establishment of a new company, and the pre-merger companies are dissolved.

Article ~~177~~166 In a merger of companies, the parties of the merger shall execute a merger agreement and prepare the balance sheet and property list. The Company shall notify their creditors within 10 days of the date on which the merger resolution is adopted, and shall publish an announcement in newspaper within 30 days.

Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that respective guarantees to be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

Article ~~178~~167 To carry out a merger, the credits and debts of the companies involved shall be succeeded or assumed by the company that survives the merger or by the newly established company.

Article ~~179~~168 If the Company is to be divided, its assets shall be divided accordingly.

In a division of the Company, a balance sheet and a property list shall be prepared. The Company shall notify its creditors within 10 days of the date on which the division resolution is adopted, and shall publish an announcement in newspaper within 30 days.

Article ~~180~~169 The post-division companies shall bear several and joint liabilities for the debts of the Company before the division unless it is otherwise prescribed in a written agreement reached by the Company and the creditors before the division regarding the pay-off of debts.

Article ~~181~~170 Where the Company finds it necessary to reduce its registered capital, it must prepare a balance sheet and property list.

The Company shall, within 10 days after the resolution of reducing its registered capital is adopted, notify the creditors and make a public announcement in newspaper within 30 days. The creditors shall, within 30 days after receiving the notice or within 45 days after the issuance of the public announcement if they fail to receive the notice, be entitled to demand the Company to pay off the debts or to provide respective guarantees.

After reduction of the registered capital, the amount of the Company's registered capital shall not be less than the statutory minimum.

Article ~~182~~171 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall be deregistered in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

In the case of increasing or reducing its registered capital, the Company shall go through changes of registration with the company registration authority in accordance with the law.

Section 2 Dissolution and Liquidation

Article ~~183~~172 ~~The Company shall be dissolved under~~In any of the following circumstances~~:~~, the Company may be dissolved:

(1) the term of business operation expires as specified by these Articles of Association or other matters leading to dissolution occur as specified by these Articles of Association;

(2) the general meeting resolves to dissolve the Company;

(3) dissolution is necessary as a result of the merger or division of the Company;

(4) the Company's business license is revoked or it is ordered to close down or it is deregistered according to laws;

(5) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders' voting rights of the Company may petition a people's court to dissolve the Company.

Article ~~184~~173 Where any of the circumstances as prescribed in Article ~~183~~172 (1) of these Articles of Association occurs, the Company may continue to exist by amending these Articles of Association.

The amendment to these Articles of Association pursuant to the previous paragraph shall be passed by shareholders representing no less than two-thirds of voting rights held by all shareholders present at the general meeting.

Article ~~185~~174 Where the Company is dissolved according to the provisions of sub-paragraphs (1), (2), (4) and (5) of Article ~~183~~172 of these Articles of Association, it shall establish a liquidation committee and liquidation shall commence within 15 days from the date on which the cause for dissolution arose. The liquidation committee shall be determined by directors or the general meeting. If the Company fails to establish the liquidation committee and carry out the liquidation within the time limit, its creditors may petition a people's court to designate relevant persons to form a liquidation committee and carry out the liquidation.

Article ~~186~~175 The liquidation committee may exercise the following functions during the process of liquidation:

(1) to liquidate the properties of the Company and prepare a balance sheet and a property list;

(2) to notify creditors by sending notice or by making announcement;

(3) to deal with and settle the Company's outstanding business in relation to the liquidation;

(4) to pay off the outstanding taxes and the taxes incurred in the process of liquidation;

(5) to claim credits and pay off debts;

(6) to dispose of the remaining properties after all the debts being paid off;

(7) to represent the Company in any civil proceedings.

Article ~~187~~176 The liquidation committee shall notify the creditors within ten days of its establishment, and make an announcement in newspaper within sixty days of its establishment. Creditors shall declare their claims to the liquidation committee within thirty days from the date of receipt of the written notice or, if they did not receive a written notice, within forty-five days from the date of the announcement.

When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims.

During the period of declaration of claims, the liquidation committee shall not repay the debts to creditors.

Article ~~188~~177 After the liquidation committee has liquidated the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the general meeting or the people's court for confirmation.

The Company's property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company's debts, shall be distributed by the Company to the shareholders in proportion to the shares they hold.

During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company's property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

Article ~~189~~178 If the liquidation committee, having liquidated the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for a declaration of bankruptcy in accordance with the law.

After the people's court has ruled to declare the Company bankrupt, the liquidation committee shall turn over the liquidation matters to the people's court.

Article ~~190~~179 Following the completion of liquidation of the Company, the liquidation committee shall formulate a liquidation report, submit the same to the general meeting or the people's court for confirmation, and submit the aforementioned documents to the company registration authority to apply for company deregistration, and announce the Company's termination.

Article ~~191~~180 The members of the liquidation committee shall devote themselves to their duties and perform their obligations of liquidation in accordance with the law.

None of the members of the liquidation committee may take advantage of his/her position to take any bribe or any other illegal income, nor may he/she misappropriate any of the properties of the Company.

Where any member of the liquidation committee causes any loss to the Company or any creditor due to deliberate acts or gross negligence, he/she shall be liable for compensation.

Article ~~192~~181 Where the Company is declared bankrupt in accordance with the law, it shall carry out a bankruptcy liquidation according to the laws and regulations concerning bankruptcy of enterprises.

CHAPTER ~~11~~10 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article ~~193~~182 In any of the following circumstances, the Company shall amend the Articles of Association:

(1) after Company Law or relevant laws and administrative regulations have been amended, the matters stipulated in the Articles of Association are in conflict with the provisions of the revised laws and administrative regulations;

(2) the circumstances of the Company have changed, which are inconsistent with the matters recorded in the Articles of Association;

(3) a general meeting decides to amend the Articles of Association.

Article ~~194~~183 Amendments to the Articles of Association approved by a resolution of the shareholders' general meeting which are subject to approval from relevant competent authority shall be submitted to the competent authority for approval. If an amendment to the Articles of Association involves registered particulars of the Company, registration of the change shall be carried out in accordance with the law.

Article ~~195~~184 The board of directors shall amend these Articles of Association in accordance with the resolution of the shareholders' general meeting regarding amendments to the Articles of Association and the comments of the relevant competent authorities.

Article ~~196~~185 Where amendments to the Articles of Association are required to be disclosed by laws and regulations, the Company shall make public announcement in accordance with the provisions.

CHAPTER ~~12~~11 SUPPLEMENTARY PROVISIONS

Article ~~197~~186 Definitions

(1) "Controlling shareholder" refers to a shareholder who holds more than 50% of the total share capital of the Company or who holds less than 50% of the total share capital but holds voting rights sufficient to have a material impact on resolutions of the shareholders' general meeting.

(2) "De facto controller" refers to anyone who is not a shareholder of the Company but is able to hold actual control of the acts of the Company by means of investment relations, agreements or any other arrangements.

(3) "Related/connected relationship" refers to the relationship between the controlling shareholders, de facto controllers, directors, ~~supervisors,~~ or senior management personnel of the Company and the enterprise directly or indirectly controlled thereby and any other relationship that may lead to the transfer of any interest of the Company. However, the enterprises controlled by the state do not incur a related relationship simply because their shares are controlled by the state. If there are other provisions on connected relationship in the Hong Kong Listing Rules, such provisions shall prevail.

Article ~~198~~187 The board of directors may formulate detailed rules for the Articles of Association in accordance with the provisions hereof, but the detailed rules for the Articles of Association shall not conflict with the provisions hereof.

Article ~~199~~188 The Articles of Association are written in Chinese. In case of any discrepancy between the Articles of Association in any other languages or in different versions, the Chinese version of the Articles of Association after the latest approval and registration with Shenyang Administration for Market Regulation shall prevail.

Article ~~200~~189 In these Articles of Association, the terms "or more", "within" and "below" include the given figure; the terms "more than", "over" and "less than" do not include the given figure.

Article ~~201~~190 The board of directors of the Company shall be responsible for the interpretation of these Articles of Association.

Article ~~202~~191 The appendix to these Articles of Association includes the rules of procedures of shareholders' general meetings~~,~~ and the rules of procedures of the board of directors ~~and the rules of procedures of the board of supervisors~~.

Article ~~203~~192 These Articles of Association shall take effect ~~from the date~~upon ~~on which the H shares publicly offered by the Company are listed and traded on the Main Board of the Hong Kong Stock Exchange~~ consideration and approval by the shareholders' general meetings of the Company. ~~The original articles of association of the Company shall automatically become invalid from the date of entry into force of these Articles of Association.~~

Shiyue Daotian Group Co., Ltd.
Rules of Procedures of General Meetings

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated to safe guard the legitimate rights and interests of all shareholders, regulate the activities of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company"), ensure the standard and efficient operation of the Company's general meetings, and ensure shareholders' equal and effective exercise of rights in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), the Trial Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises and other relevant requirements, as well as the Articles of Association of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Articles of Association").

Article 2 The Company shall strictly convene the general meeting strictly in accordance with laws, administrative provisions, Articles of Associations and these procedural rules to guarantee the shareholders can exercise the rights according to law. The board of Directors of the Company shall actually perform duties, and carefully organize general meetings in time. All shareholders shall fulfill the duties of diligence and make the normal holding of general meetings and exercising of powers.

Article 3 The general meeting shall exercise its functions and powers within the scope prescribed by the Company Law and the Articles of Association.

Article 4 General meetings are divided into annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and shall be held within 6 months after the end of the preceding fiscal year. Extraordinary general meeting are convened from time to time.

The Company shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

(1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;

(2) The losses of the Company that have not been made up reach one-third of the its total paid in share capital;

(3) Shareholders individually or jointly hold not less than 10% of shares of the Company request in writing;

(4) Whenever the Board considers necessary;

~~(5) When the board of Supervisors proposes so;~~

(5) When the Audit Committee proposes so;

(6) Other circumstances as prescribed by the laws, administrative regulations, departmental regulations or the Articles of Association.

Article 5 The Company shall, when holding a general meeting, engage lawyers to issue legal opinions and make announcements with respect to the following issues:

(1) Whether the procedures for convening and holding of the meeting are in compliance with laws, administrative regulations, these Rules and the Articles of Association;

(2) Whether the attendees and the convener are legally and validly qualified;

(3) Whether the voting procedures and voting results of the meeting are legal and valid;

(4) Other relevant issues as requested by the Company.

CHAPTER 2 CONVENING OF GENERAL MEETINGS

Article 6 The board of Directors shall convene the general meeting within the time limits specified in Article 4 of these Rules.

Article 7 Independent directors shall be entitled to submit a proposal to the board of Directors on holding an extraordinary general meeting. For such a proposal, the board of Directors shall give a written reply as to whether it agrees or disagrees to hold an extraordinary general meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, and the Articles of Association.

Where the board of Directors agrees to hold an extraordinary general meeting, a notice of the general meeting shall be given within 5 days after the resolution of the board of Directors is made. Where the board of Directors does not agree to hold such a meeting, its reasons shall be given, and an announcement shall be made.

Article 8 The ~~board of Supervisors~~Audit Committee shall be entitled to submit a proposal in writing to the board of Directors on holding an extraordinary general meeting. The board of Directors shall give a written reply as to whether it agrees or disagrees to hold an extraordinary general meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, and the Articles of Association.

Where the board of Directors agrees to hold an extraordinary general meeting, a notice of general meeting shall be given within 5 days after the resolution of the board of Directors is made. Any change to the original proposal in the notice shall be subject to the approval from the ~~board of Supervisors~~Audit Committee.

Where the board of Directors does not agree to hold an extraordinary general meeting or fails to give a reply within 10 days upon receipt of the proposal, it shall be deemed that the board of Directors is unable or fails to perform its duty of convening a general meeting. In such case, the Audit Committee~~board of Supervisors~~ may convene and preside over the meeting on its own.

Article 9 Shareholders individually or jointly holding over 10% of the Company's shares are entitled to propose to the Board to convene an extraordinary general meeting, and such proposal shall be made in writing. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, give its reply in writing stating whether it agrees or disagrees to convene the extraordinary general meeting within 10 days upon receipt of such proposal.

If the Board agrees to convene the extraordinary general meeting, a notice for convening the general meeting shall be issued within 5 days after the Board passed the relevant resolution. Any change to the original proposal in the notice shall be subject to the agreement of relevant shareholders.

Where the Board disagrees to convene the extraordinary general meeting or fails to give the reply in writing within 10 days upon receipt of the proposal, shareholders individually or jointly holding over 10% of the Company's shares are entitled to propose to the Audit Committee~~board of Supervisors~~ to convene an extraordinary general meeting of the Company, and such proposal shall be made in writing to the Audit Committee~~board of supervisors~~.

If the Audit Committee~~board of Supervisors~~ agrees to convene the extraordinary general meeting or the class meeting, it shall issue a notice to convene general meeting within five (5) days of receipt of the request, and any changes to the original request in the notice shall be made only with the consent of the relevant shareholder(s).

If the Audit Committee~~board of Supervisors~~ fails to issue a notice of general meeting or class meeting within the prescribed period, the Audit Committee~~board of Supervisors~~ shall be deemed not convening or chairing a general meeting or class meeting. Shareholders individually or jointly holding more than 10% of the shares of the Company for ninety (90) consecutive days may convene and chair the meeting on their own.

Article 10 If the Audit Committee~~board of Supervisors~~ or shareholders hold the general meeting by themselves, the Board shall be notified in writing and such notice should be filed with the Stock Exchange where the Company's shares are listed.

Before announcement of the resolution of the general meeting, the shareholding proportion of the shareholders to convene a meeting shall not be less than 10%.

Article 11 The board of Directors and the secretary to the board of Directors shall cooperate with respect to matters relating to a general meeting convened by the Audit Committee~~board of Supervisors~~ or shareholders at its/their own discretion. The board of Directors shall provide the register of shareholders as of the record date. If the board of Directors does not provide the register of shareholders, the convener may

apply to the securities depository and clearing authority for obtaining the register of shareholders with the announcement in relation to the notice convening the general meeting. The register of shareholders obtained by the convener shall not be used for any other purposes other than to convene a general meeting.

Article 12 Expenses arising from convening of a general meeting by the Audit Committee~~board of Supervisors~~ or shareholders at its/their own discretion shall be borne by the Company.

CHAPTER 3 PROPOSAL AND NOTICE OF GENERAL MEETING

Article 13 The content of the proposals shall be within the scope of the terms of reference of the general meeting, and have clear subjects and specific resolutions, and shall comply with the relevant provisions of the laws, administrative regulations and the Articles of Association.

Article 14 When the Company convenes a general meeting, the board of Directors, the Audit Committee~~board of Supervisors~~, as well as shareholder(s) individually or jointly holding more than 3% of the shares of the Company, shall be entitled to put forward proposals to the Company.

Shareholder(s) individually or jointly holding more than 3% of the shares of the Company may put forward provisional proposals and submit the same in writing to the convener ten days prior to the date of the general meeting. The convener shall issue a supplemental notice of the general meeting within two days after receiving such proposals and announce the content of the provisional proposals.

Save for the circumstances referred to in the preceding paragraph, after the convener issues the notice of the general meeting, no changes shall be made to the proposals set forth in the notice of the general meeting and no further proposals shall be added.

The general meeting shall not vote or resolve on proposals not set forth in the notice of the general meeting or not in compliance with the provisions of Article 13 of these Rules.

Article 15 The convener shall inform each shareholder of the forthcoming annual general meeting by way of announcement 20 days before the meeting, and shall inform each shareholder of the forthcoming extraordinary general meeting in by way of announcement 15 days before the meeting.

When calculating the interval between the date a general meeting notice is issued and the date the in person meeting is held, the day of the in person meeting itself is excluded from the interval.

Article 16 The notice of general meeting shall include the following:

(1) The date, place, form, the convenor of the meeting and duration of the meeting;

(2) Matters and proposals to be considered at the meeting;

(3) A clear statement that all shareholders are entitled to attend the general meeting, and to appoint proxy(ies) in writing to attend and vote on his/her behalf at the meeting, and that a proxy need not be a shareholder of the Company;

(4) Share registration date for the purpose of determining the entitlement of shareholders to attend the general meeting;

(5) The name and telephone number of permanent contact persons for the affairs of the meeting;

(6) The voting time and procedures via the Internet or through other means;

~~(6)~~(7) Other requirements stipulated under the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and these Articles of Association.~~.~~

Notices or supplementary notices of general meetings shall adequately and completely disclose the specific contents of all proposals, as well as all the information or explanations which are necessary for the shareholders to make a reasonable judgment in respect of the issues to be discussed. Where the opinions of an independent non-executive Director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of general meetings are served.

Where a general meeting is held over network or other means, the notice of general meeting shall specify the voting time and voting procedure of those means.

Time of voting through internet or other means of communication shall not be earlier than 3:00 p.m. of the day before opening of the on-site general meeting or later than 9:30 a.m. of the opening date of the on-site general meeting. In addition, closing time shall not be earlier than 3:00 p.m. of the closing date of the on-site general meeting.

The interval between the record date for share registration specified in term (4) of this Article and the date of the meeting shall be no more than 7 business days. The record date for share registration shall not be changed once confirmed.

Article 17 After a notice of general meeting is given, the general meeting shall not be postponed or cancelled, and the proposals set out in the notice of general meeting shall not be cancelled, without due reason. Once the meeting is postponed or cancelled, the convener shall make an announcement and explain the reasons at least two working days prior to the scheduled meeting date. Where the meeting is postponed, the postponed date of the meeting shall be specified in the notice.

Article 18 If matters relating to the election of Directors~~ and supervisors~~ are proposed to be discussed at a general meeting, detailed information of the candidates for Directors~~ and supervisors~~ shall be fully disclosed in the notice of the general meeting, which shall at least include the followings:

(1) Personal information relating to their educational background, work experience and all other positions undertaken on a part-time basis etc.;

(2) Whether there is any connected relationship with the Company or its controlling shareholders or de facto controllers;

(3) Disclosure of their shareholdings in the Company;

(4) Whether or not they have been subject to any punishment by the CSRC or other relevant departments or to any sanction by any stock exchange;

(5) Other disclosures required by the Hong Kong Listing Rules and other laws and regulations.

Save for the Directors ~~and supervisors~~ who are elected by a cumulative voting system, a single proposal (or the same proposal and a single vote) shall be put forward for each candidate for a Director ~~and supervisor~~.

CHAPTER 4 HOLDING OF GENERAL MEETING

Article 19 The place for convening a general meeting of the Company shall be the domicile of the Company or other locations specified in the notice of the general meeting.

The general meeting shall have a venue and be held on-site. The Company should make it convenient for shareholders to attend and their use of electronic methods to vote at such meetings by using secure, economic and convenient network or ~~and~~ other electronic methods, or a hybrid of an in person meeting and electronic means according to laws, administrative regulations and regulations of the CSRC or the Articles of Association. A shareholder who participates in a general meeting in the aforesaid manner shall be deemed to have been present at the meeting.

Article 20 The board of Directors of the Company and other conveners shall take all necessary measures to ensure that the general meeting is conducted in an orderly manner. Measures shall be taken to stop acts that interfere with the general meeting, provoke troubles and infringe the legitimate rights and interests of shareholders, and report to relevant authorities for investigation and punishment in a timely manner.

Article 21 All shareholders on the register of shareholders on the record date or their proxies shall be entitled to attend the general meeting and exercise voting rights in accordance with the relevant laws, regulations and the Articles of Association, and the Company and the convener shall not refuse their attendance for any reason.

The shareholders may attend general meetings and exercise voting rights in person, and may appoint a proxy to attend and exercise voting rights within the scope of authorization, shall also be deemed to be present in person thereat.

Hong Kong Securities Clearing Company Limited is entitled to appoint proxies or corporate representatives to attend general meetings and meetings of creditors, and such proxies or corporate representatives shall enjoy the same statutory rights as other shareholders, including the right to speak at shareholders' meetings and to exercise voting rights.

Article 22 Individual shareholders attending meeting in person shall produce their identity cards, stock account cards or other valid documents or proof to prove their identity. In the case of attending by proxies, the proxies shall produce valid documents and the proxy forms from the shareholders to prove their identity.

Legal entity or corporate partnership shareholders shall be represented at the meeting by their legal representative, executive partner (appointed representative), or an authorized agent. Where the legal representative or executive partner (appointed representative) attends the meeting, they shall present their identity document and valid proof evidencing their status as the legal representative or as the executive partner (appointed representative); where an authorized agent attends, the agent shall present their identity document and a duly executed power of attorney lawfully issued by the legal entity or corporate partnership shareholder's legal representative or the executive partner (appointed representative).

Article 23 The proxy form for appointing a proxy to attend the general meeting issued by a shareholder shall include the following:

(1) The name of the proxy;

(2) Whether the proxy has the right to vote;

(3) The instructions on voting for, against or abstaining from voting on each item on the agenda to be considered at the general meeting;

(4) The date of the proxy form and its validity period;

(5) Signature (or seal) of the principal. Where the principal is a legal entity or corporate partnership shareholder, the corporate seal shall be affixed.

Article 24 The proxy form shall state whether the proxy may vote as he/she thinks fit in the absence of specific instructions from the shareholder. Unless otherwise specified, the shareholder's proxy shall be deemed authorized to vote at their own discretion.

Article 25 Where a proxy form for appointing a voting proxy is signed by a person authorized by the appointing shareholder, the signed authorization letter or other authorization documents shall be notarized. The notarized authorization letter or other authorization documents and the proxy form shall be kept at the domicile of the Company or at such other places as designated in the notice of the meeting, or, provided this does not violate applicable laws and regulations or the listing rules of the stock exchange on which the Company's shares are listed, be delivered to the company by other means (such as electronically).

Where the appointing shareholder is a legal entity or corporate partnership, its legal representative or executive partner (appointed representative) or the person authorized by a resolution of its board of Directors or other decision-making body shall attend the Company's general meetings as the representative of such appointing shareholder.

Article 26 Where the principal or his proxy is ineligible to attend the meeting as a result of irregularities of the principal's authorization or the fact that documents evidencing the legitimate identity of the principal or the authorization do not comply with the laws, regulations or provisions of the Articles of Association, the legal consequences so arising shall be borne by the principal or his proxy.

Article 27 Shareholders, shareholder representatives and proxies attending the general meeting shall register with the meeting registration desk in accordance with the time and requirements stated in the notice of the general meeting.

Article 28 The register of the general meeting attendants shall be prepared by the Company. The register shall expressly record such matters as the name of the attendant (or of the unit thereof), the identification card number, domicile address of the attendee, the number of voting shares held or represented by the attendee, and the name of the principal (or of the unit thereof).

Article 29 The convener and the lawyers engaged by the Company shall verify the legitimacy of the eligibility of the shareholders based on such register of members provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the number of voting shares are held by them. The registration for the meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the physical meeting and the total number of voting shares they represent.

Article 30 When a general meeting is convened, all the Directors~~, supervisors~~ and the secretary to the board of Directors shall attend the meeting, and the general manager and other members of the senior management shall be present at such meeting.

Article 31 The general meeting shall be convened by the Board. If the chairman of the Board is unable or fails to perform his/her duties, the deputy chairman of the Board shall preside over the meeting. If the deputy chairman is unable or fails to perform his/her duties, a Director elected by more than half of the Directors shall preside over the meeting.

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

A general meeting convened by shareholders shall be presided over by a representative elected by the convener.

During the course of a general meeting, if the meeting presider violates these Rules such that the meeting cannot be continued, the shareholders in the general meeting may elect one person to act as the meeting presider to continue the meeting so long as the proposed meeting presider has the consent of more than half of the shareholders with voting rights who are present at the meeting.

Article 32 All issues and proposals shall be resolved as included in the agenda of the meeting in sequence item-by-item as presided by the chairman of the meeting. For issues included in the agenda of meeting, the chairman may, according to circumstances, adopt the procedure of hearing the reports on the said matters followed by collective item-by-item discussions and voting thereof. For relatively complicated matters, the chairman may adopt the procedure of hearing the respective reports followed by respective discussions and voting of each matter. Reasonable time for discussion shall be given on each matter at the general meeting.

Article 33 In the annual general meeting, the board of Directors ~~and the board of Supervisors~~ shall report to the general meeting their work done in the past year. Each of the independent Directors shall also make their personal work reports.

Article 34 When a shareholder or a shareholder proxy considers the issue, he shall demonstrate his opinions briefly and explicitly, propose the inquiry on any problem affecting judgment and voting but not stated by the reporter and request the reporter to make explanation and statement.

Article 35 Directors~~, supervisors~~ and senior officers shall give explanations on shareholders' inquiries and suggestions at the general meeting.

CHAPTER 5 VOTING AND RESOLUTIONS OF GENERAL MEETING

Article 36 Matters included into the agenda shall all be passed by way of voting in the general meeting. Shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares. Each share shall have one vote. The way of voting shall be open ballot.

Article 37 The chairperson of the meeting shall prior to the voting announce the number of the shareholders or agents present at the meeting, the total number of shares carrying the right to vote thereof. The aforesaid numbers shall be subject to the meeting register.

Article 38 In accordance with applicable laws and regulations and the listing rules of the stock exchange where the Company's shares are listed, where any shareholder is required to abstain from voting on any specified resolution, or where any shareholder is required to vote only in favor of or against a specified resolution, and in the event of any violation of such requirement or restriction, the votes cast by or on behalf of such shareholder shall not be counted in the results of the voting.

When material issues affecting the interests of minority shareholders are considered at the general meeting, the votes of minority shareholders shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

The Company's shares held by the Company have no voting rights, and such shares are not included in the total number of voting shares present at the general meeting.

Where a shareholder's purchase of the Company's voting shares 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 voting shares of the shareholders attending the general meeting.

The Board, independent Directors, shareholders holding more than 1% of the voting shares, or investor protection institutions established in accordance with the laws, administrative regulations or the provisions of the CSRC, may publicly solicit voting rights from 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 39 The name list of candidates for Directors ~~and supervisors~~ shall be included in a proposal to be submitted to the general meeting for voting.

When the general meeting votes on the election of Directors ~~and supervisors~~, a cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolutions of the general meeting.

The above-mentioned cumulative voting system 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 general meeting elects the Directors ~~or supervisors~~.

Article 40 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 resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

Article 41 No amendment shall be made to a proposal when it is being considered at the general meeting; otherwise, such amendment shall be deemed a new proposal and may not be voted at the current meeting.

Article 42 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 43 The shareholders attending the general meeting shall express one of the following opinions on the proposal to be voted on: for, against, or abstain. Save for the circumstance under which the securities registration and settlement institution, acting as the nominal holder of shares under the mutual stock market access between the Chinese Mainland and Hong Kong, makes reporting in accordance with the instruction of the actual 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 result for the number of shares he/she holds shall be accounted as "abstain".

Article 44 Before the relevant proposal is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in votes counting and scrutinizing. Any shareholder who is interested in the matter under consideration and his/her proxy shall not take part in votes counting or scrutinizing.

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

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

Article 45 An on-site general meeting shall not end before that held online or otherwise, and the meeting presider shall announce the voting status and results of each proposal and announce whether the proposal is adopted or not based on the voting results.

Prior to the formal announcement of the voting results, relevant parties involved in relation to voting on the site of the general meeting, via the Internet or by other means, including the Company, the persons responsible for counting votes and scrutinizing the voting, substantial shareholders, and Internet service providers, shall be obliged to keep the voting status confidential.

Article 46 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 voting shares held by them and their proportion in the total number of voting shares of the Company, voting methods, voting results of each proposal, and details of resolutions adopted.

Article 47 Where the proposals are not passed or if the current general meeting changes the resolutions of the previous general meeting, a special notice shall be included in the resolutions of the general meeting.

Article 48 Where a proposal for the election of Directors ~~or supervisors~~ is adopted at a general meeting, the new Directors ~~and supervisors~~ shall assume duty in accordance with the provisions of the Articles of Association.

Article 49 If the general meeting passes the proposal on cash dividends, scrip issue or conversion of capital reserve into share capital, the Company shall implement the relevant plan in two months after the end of the general meeting.

Article 50 Where the Company repurchases its ordinary shares by public issuance of preference shares and repurchases its ordinary shares from specific shareholders of the Company by consideration of non-public issuance of preference shares for the purpose of reducing its registered capital, the resolution regarding the repurchase of ordinary shares at a general meeting shall be passed by more than two-thirds of the voting rights of the ordinary shareholders present at the general meeting (including preference shareholders with restored voting rights). the Company shall issue the announcement of resolution on the following day after the making of decision on repurchase of ordinary shares at the general meeting.

Article 51 Matters approved at the general meeting shall be formed as resolutions. Resolutions of a general meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions of a general meeting shall be passed by shareholders in attendance (including proxies) holding a majority~~one half~~ of the voting rights.

Special resolutions of a general meeting shall be passed by shareholders in attendance (including proxies) holding more than two-thirds of the voting rights.

Article 52 The following matters shall be resolved by way of an ordinary resolution of the general meeting:

(1) Work reports of the Board~~ and the board of Supervisors~~;

(2) Profit distribution proposals and loss recovery proposals formulated by the Board;

(3) Appointment, dismissal and remuneration of the members of the Board~~ and the board of Supervisors~~ and the method of payment of the remuneration;

(4) Annual financial budgets and final accounting plans of the Company;

(5) Annual reports of the Company;

(6) Other matters required by laws, administrative regulations, the Hong Kong Listing Rules, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association to be adopted by special resolutions.

Article 53 The following matters shall be resolved by way of a special resolution of the general meeting:

(1) The increase or reduction of the Company's registered capital;

(2) The merger, division, split, dissolution, liquidation or change of company form of the Company;

(3) Amendments of the Articles of Association;

(4) The purchase or disposal of material assets by the Company within one year, or a guarantee amount exceeding 30% of the latest total audited assets of the Company;

(5) Equity incentive plan;

(6) Other matters required by laws, administrative regulations or the Articles of Association, which may have a significant impact on the Company according to an ordinary resolution of the general meeting, to be adopted by way of a special resolution.

Article 54 The content of the resolutions of the general meeting shall comply with the provisions of laws, administrative regulations and the Articles of Association. Resolutions of a general meeting contrary to the laws and administrative regulations shall be void.

The controlling shareholder(s) and de facto controller(s) should not restrict or obstruct minority shareholders to exercise their voting rights in accordance with laws and should not infringe the legal rights of the Company and minority shareholders.

If the convening procedures or voting methods for the general meeting contravenes the laws, administrative regulations or the Articles of Association, or the contents of a resolution contravenes the Articles of Association, the shareholders on their own initiative may submit to the People's Court to cancel the resolution within 60 days after the said resolution is made.

Article 55 If the meeting presider 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 meeting presider has not counted the votes, any shareholder present in person or by proxy who objects to the result announced by the meeting presider may, immediately after the declaration, demand that the votes be counted, and the meeting presider shall have the votes counted immediately.

Article 56 The convener shall ensure that the general meeting is conducted continually until final resolutions are received and considered. In the event of special reasons such as force majeure resulting in the termination of a general meeting or the failure to receive and consider any resolutions, necessary measures shall be taken to resume the general meeting as soon as practicable; alternatively, the meeting may be terminated in such circumstances with an announcement timely made. Meanwhile, the convener shall report to the local branch of the CSRC and the Stock Exchanges.

CHAPTER 6 MINUTES OF GENERAL MEETING

Article 57 The general meeting shall have meeting minutes, and the secretary of the Board shall be responsible for the meeting minutes.

The meeting minutes shall include the following particulars:

(1) The time, venue and agenda of the meeting and the convener's name;

(2) Names of the meeting presider and the Directors, ~~supervisors,~~ general manager and other senior management attending the meeting or attending the meeting as non-voting delegates;

(3) The number of shareholders and proxies present at the meeting, total number of voting shares held and their respective proportions in the total number of shares of the Company;

(4) Deliberations on each proposal, key points and the voting results;

(5) Queries and suggestions of the shareholders and the corresponding answers or explanations;

(6) Names of the lawyer(s), tally clerk and scrutineer;

(7) Other contents that shall be recorded in the meeting minutes as recognized by the general meeting and required by the Articles of Association.

Article 58 The convener shall guarantee the authenticity, accuracy and integrity of the content of the meeting minutes. The Directors~~, supervisors~~, secretary of the Board, convener or his/her representative, and meeting presider who attended the meeting shall sign the meeting minutes. The meeting 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 not less than ten years.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 59 For any matters not contained herein, the provisions of the relevant laws, administrative regulations, normative documents and the Articles of Association shall prevail.

Unless otherwise specifically stated, the expressions used in the rule shall have the same meanings as those in the Articles of Association.

Article 60 The Company shall amend these Rules under any of the situations as follows:

(1) The relevant national laws, regulations or normative documents are amended, or new laws, regulations or normative documents are formulated and promulgated, and the matters provided for in these Rules are in conflict with the provisions of the aforesaid laws, regulations or normative documents;

(2) After the amendments to the Articles of Association, the matters stipulated herein become in conflict with the provisions of the Articles of Association;

(3) The general meeting has decided on making amendments to these Rules. (take effect upon the approval of special resolutions at the general meeting of the Company).

Article 61 In these Rules, the terms "or more", "within" and "below" include the given figure; the terms "more than", "over" and "less than" do not include the given figure.

Article 62 The board of directors of the Company shall be responsible for the interpretation and amendment of these Rules.

Article 63 These Rules, as an appendix to the Articles of Association, shall come into effect and be implemented from the date when they are considered and approved by the general meeting of the Company ~~and the Overseas Listed Foreign Shares (H Shares) issued in the initial public offering of the Company are listed and traded on The Stock Exchange of Hong Kong Limited~~.

Shiyue Daotian Group Co., Ltd.
Rules of Procedures of Board Meetings

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further specify the terms of reference of the board of directors of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company"), standardize the internal organization and operating procedures of the board of directors, improve the discussion and scientific decision-making procedures of the board of directors, and give full play to the role of the board of directors as a business decision-making center, these Rules are formulated pursuant to the *Company Law of the PRC* (hereinafter referred to as the "Company Law"), the *Securities Law of the PRC*, the *Standards for the Governance of Listed Companies*, the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "Hong Kong Listing Rules"), and other relevant provisions of laws and regulations, as well as the *Articles of Association of Shiyue Daotian Group Co., Ltd.* (hereinafter referred to as the "Articles of Association").

CHAPTER 2 COMPOSITION AND FUNCTIONS AND POWERS OF THE BOARD OF DIRECTORS

Article 2 The Company shall set up a board of directors, which shall be accountable to the shareholders' general meeting.

Article 3 The board of directors shall consist of ~~9-12~~more than 9 directors, ~~including 6 non-independent directors and 3 independent directors~~ and directors shall consist of executive directors, non-executive directors and independent directors.

Article 4 The board of directors shall have one chairperson and may have vice chairpersons. The chairperson and the vice chairperson shall be elected by no less than half of all the directors.

Article 5 The board of directors shall exercise the following functions and powers:

(1) to convene general meetings and report to the general meetings;

(2) to implement resolutions of the general meetings;

(3) to decide on the Company's business plans and investment plans;

~~(4) to formulate the annual financial budgets plans and final accounts plans of the Company;~~

~~(5)~~ (4) to formulate the Company's profit distribution plans and plans on making up losses;

~~(6)~~ (5) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities of the Company and listing of shares of the Company;

~~(7)~~ (6) to formulate plans for the Company's major acquisition, acquisition of the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;

~~(8)~~ (7) to decide on matters such as external investments, acquisition or sale of assets, pledge of assets, external guarantees, entrusted wealth management, connected/related transactions and donations of the Company within the scope of authorization by the general meeting;

~~(9)~~ (8) to decide on establishment of internal management organs of the Company;

~~(10)~~ (9) to decide on the appointment or dismissal of the Company's general manager, secretary to the board of directors and other senior management members, and to decide on matters over the remunerations and rewards and punishments thereof; and to decide on the appointment or dismissal of the Company's deputy general manager, chief financial officer and other senior management as well as their remunerations and rewards and punishments according to the nomination of the general manager;

~~(11)~~ (10) to formulate the basic management system of the Company;

~~(12)~~ (11) to formulate proposals to amend these Articles of Association;

~~(13)~~ (12) to manage the disclosure of the Company's information;

~~(14)~~ (13) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;

~~(15)~~ (14) to listen to the work report of the general manager of the Company and to inspect the work of the general manager of the Company;

~~(16)~~ (15) other functions and powers provided for in laws, administrative regulations, departmental rules or these Articles of Association.

Article 6 The board of directors shall lay down strict procedures to inspect and decide on the approval limit for external investments, acquisition or sale of assets, pledge of assets, external guarantees, entrusted wealth management, connected/related transactions and external donations. For major investment projects, the board of directors shall organize the relevant experts and professionals to conduct assessment for approval of the shareholders' general meeting.

Article 7 Except for matters subject to approval by the shareholders' general meeting, the board of directors shall exercise decision-making power on the following transactions:

(1) External guarantees

External guarantees provided by the Company that fail to meet the consideration criteria of the shareholders' general meeting stated in the Articles of Association shall be reviewed and approved by the board of directors.

(2) Connected/Related transactions

Based on the transaction amount, a ratio test shall be conducted in accordance with the requirements of the Hong Kong Listing Rules, organized and submitted to the board of directors, shareholders' general meeting, and other bodies for approval according to procedures, and approved in accordance with the decision-making opinions;

(3) External financial assistance

The provision of financial assistance by the Company shall be considered and approved by the board of directors, and the related information disclosure obligations shall be fulfilled in a timely manner.

The target of financial assistance is a controlling subsidiary included in the consolidated statements of the Company and owned as to over 50% by the Company and the other shareholders of such controlling subsidiary are not the controlling shareholders or de facto controllers and its connected parties of the listed company, thereby such financial assistance shall be exempted from the provisions of the preceding paragraph.

Where the Hong Kong Listing Rules provide otherwise on the exercise of decision-making power on related transactions, such provisions shall prevail.

Article 8 The board of directors shall, when exercising its functions and powers, abide by the relevant laws and regulations issued by the State, the Articles of Association and the resolutions of the shareholders' general meeting, and consciously accept the supervision ~~of the supervisory committee of the Company~~.

Article 9 The board of directors of the Company shall set up the audit committee, the nomination committee and the remuneration committee. The special committees shall be accountable to the board of directors, fulfill duties according to the Articles of Association and the authorization of the board of directors, and their proposals shall be submitted to the board of directors for deliberation.

The personnel composition and rules of procedures of the special committees shall be resolved separately by the board of directors.

Article 10 The chairperson and the vice chairperson of the board of directors shall be a director of the Company other than an independent director.

Article 11 The chairperson of the board of directors shall exercise the following functions and powers:

(1) to preside over shareholders' general meetings and to convene and preside over board meetings;

(2) to supervise and inspect the implementation of resolutions of the board of directors;

(3) to organize the formulation of various rules and coordinate operation of the board of directors;

(4) to sign on share certificates, corporate bonds and other valuable securities issued by the Company;

(5) to propose the nomination for the Company's general manager and board secretary;

(6) other functions and powers conferred by laws, administrative regulations and the Articles of Association and by the board of directors.

Article 12 The vice chairperson shall assist the chairperson. In the event the chairperson of the board is unable to perform his/her duties or he/she does not perform his/her duties, the duties shall be performed by the vice chairperson. Where the vice chairperson is unable to perform his/her duties or he/she does not perform his/her duties, the duties shall be performed by a director nominated by half or more of the directors.

CHAPTER 3 PROPOSALS OF THE BOARD OF DIRECTORS

Article 13 Members of the board of directors and the general manager may submit proposals to the board of directors. Shareholders representing no less than 1/10 of all voting rights, no less than 1/3 of all the directors or the audit committee~~board of supervisors~~ may submit proposals for an extraordinary board meeting when they propose to convene such meeting.

Proposals submitted to the board of directors shall meet the following requirements:

(1) the content does not contravene laws, regulations, regulatory documents, or the Articles of Association, and falls within the scope of duties of the board of directors;

(2) there shall be a definite topic and specific resolution matters.

Where the proposed proposals fall within the scope of duties of the special committees, they shall first be reviewed by the relevant special committees before being submitted to the board of directors for consideration.

Article 14 Except for the proposer of convening an extraordinary board meeting as provided in the preceding paragraph of these Rules, all other proposals submitted to the board of directors shall be sent to the secretary to the board of directors 10 business days prior to the convening of the board meeting, and the chairperson shall decide whether or not to include them in the proposals for deliberation by the board of directors. Where the chairperson fails to include the proposal submitted by the proposer in the proposal for deliberation by the board of directors, the chairperson shall explain the reasons to the proposer, and where the proposer disagrees, the board of directors shall decide whether to include the proposal for deliberation or not by half or more of the directors.

CHAPTER 4 PROCEDURES FOR CONVENING BOARD MEETINGS

Article 15 The board of directors shall convene at least two meetings every year, and the board meetings shall be convened and presided over by the chairperson. All the directors ~~and supervisors~~ shall be notified in writing 10 days prior to the convening of a board meeting.

Article 16 Under one of the following circumstances, the chairperson shall convene an interim board meeting within 10 days after receipt of the proposal:

(1) upon proposal by shareholders representing no less than 1/10 of all voting rights;

(2) upon joint proposal by no less than 1/3 of all the directors;

(3) upon proposal by the audit committee~~board of supervisors~~.

Article 17 The board of directors may convene an office meeting of the board of directors to discuss the following matters and the minutes of the meeting shall be produced:

(1) communication for daily work between directors;

(2) matters that the secretary to the board of directors is unable to determine whether disclosure is required;

(3) matters involving or suspected of involving illegal or non-compliant actions by directors or senior management;

(4) discussion of proposals on nomination of candidates for directors, candidates for the chairperson and vice chairperson and the nomination of any senior management;

(5) matters requiring joint consultation the process of drafting the agenda of the board meeting;

(6) matters arising in the process of implementing resolutions of the shareholders' general meetings or the board meetings that require consultation;

(7) other matters not requiring a board of directors resolution.

However, the board of directors shall not deliberate the matters which shall be passed by a board of directors resolution in the form of office meeting of the board of directors.

Article 18 Notice to convene a meeting of the board of directors shall be given as follows:

(1) a notice of a meeting of the board of directors shall be given in writing to all directors 10 days prior to the meeting (including by hand, mail, facsimile, and e-mail, etc);

(2) a notice of an extraordinary board meeting shall be given in writing to all directors 5 days prior to the meeting (including by hand, mail, facsimile, and e-mail, etc). If there are urgent matters, notice of the convening of a meeting may be given at any time by means of oral communication, telephone, or other methods, and the convener shall give an explanation at the meeting;

(3) a notice of the office meeting of the board of directors shall be given to all directors 1 day prior to the meeting by telephone, facsimile, e-mail, or other means.

The aforementioned notice period in this Article may be shortened or waived with the unanimous consent of all directors.

Where a notice of a meeting is given by hand, the addressee shall be required to sign his/her name (or affix his/her chop) on the receipt, and the signing date of the receipt shall be the date of service; where a notice of a meeting is given by mail, such notice shall be deemed served fifth workday after it is deposited at the post office. Notice of a meeting given by facsimile shall be deemed served at the recorded time of the facsimile machine confirming successful transmission. Where a notice of a meeting is given by e-mail, the date it successfully reaches the other party's server shall be the date of service.

Article 19 A notice for a meeting of the board of directors shall set out the followings:

(1) the date and venue of the meeting;

(2) the duration of the meeting;

(3) reasons and the agenda;

(4) date of issue of the notice.

Article 20 The resolutions to be proposed at the board meeting, together with the notice, shall be delivered to the directors and relevant persons to be present at the meeting.

The board of directors shall provide sufficient information to the directors, including the background materials relating to the matters to be discussed at the meeting and those information and data to facilitate the directors' understanding of the Company's business development. Where two or more independent directors are of the opinion that the materials are incomplete or insufficiently argued, they may jointly submit a written proposal to the board of directors to postpone the meeting or postpone the consideration of the matter, and the board of directors shall adopt such proposal accordingly. The listed company shall promptly disclose the relevant information.

Article 21 Directors shall attend board meeting in person. Where a director is unable to attend a meeting for any reason, he/she shall appoint another director in writing to attend the meeting on his/her behalf. Independent directors shall not appoint non-independent directors as proxies to attend the meeting on his/her behalf.

The proxy letter shall state the name of the proxy, the relevant matters, the scope of authorization, the validity period and shall be signed by the appointer or a chop shall be affixed. A director attending a meeting on behalf of another director shall exercise the right of director within the scope of authorization.

Where the appointer entrusts other directors to attend the board meeting on behalf, he/she shall independently undertake the legal responsibilities for the decisions made by the consignee within the scope of authorization.

If a director does not attend the board meeting in person and also fails to appoint a proxy to attend the meeting, it shall be deemed as a waiver of his/her voting rights at such meeting.

Article 22 ~~Supervisors may attend the board meetings; t~~The general manager and the secretary to the board of directors shall attend the board meetings. Where the chairman of the meeting considers it necessary, he/she may notify other relevant persons to attend the board meeting. The attendees have the right to express opinions about relevant agenda but have no voting right.

CHAPTER 5 VOTING PROCEDURES OF THE BOARD MEETING

Article 23 Meetings of the board of directors may be held only if more than one half of the directors are present.

Article 24 The collegial system is adopted at the board meetings to allow every director to fully express his/her opinions and then to vote.

Article 25 For proposals that are required to be approved in advance by the independent directors in accordance with the relevant provisions, the chairman of the meeting shall, prior to the discussion of such proposals, designate one independent director to read out the written approval opinion issued by the independent directors.

The chairman of the meeting shall restrain in a timely manner any director who obstructs the normal conduct of the meeting or interrupts the speech of other directors.

The board meeting shall not vote on any proposal not included in the notice of the meeting unless with the unanimous consent of all attending directors. Where a director accepts the appointment of any other director to attend the board meeting on his/her behalf, he/she shall not vote on the proposal not included in the notice on the meeting on behalf of any other director.

Article 26 The directors shall carefully read relevant meeting materials, and shall independently and prudently express their opinions on the basis of fully understanding the conditions.

The directors may, before the meeting, inquire about information needed for decision-making from relevant persons or institutions such as the secretary to the board of directors, the convener of the meeting, the general manager, the deputy general manager and other senior management, special committees, the accounting firms and the law firms, or may, while the meeting is in progress, suggest the chairman of the meeting to invite the aforesaid persons or representatives from institutions present at the meeting to make relevant explanations.

Article 27 Resolutions of board of directors shall be conducted by directors attending the meeting by registered poll in writing. The board meetings shall be carried out on the basis of one item one vote, one person one vote system. The voting can be classified into “for”, “abstained” and “against”, and in case of “abstained” or “against”, for which, relevant reasons shall be stated and filed.

Article 28 A resolution of the board of directors must be passed by more than half of all directors.

The guarantee matters within the authority of the board of directors shall be approved by more than half of all directors of the Company, and by more than two-thirds of the directors present at the board meeting.

Article 29 The board meetings may be held in the form of on-site meeting or by way of teleconference, video conference and written circulation.

At Board meetings held by telephone or video, the oral opinions of the directors at the meetings shall be taken as their voting opinions, and written resolutions or voting votes shall be signed afterwards. In the event that a director changes his/her opinion after the meeting, his/her oral voting opinion at the meeting shall prevail.

The written circulation refers a method where instead of convening multi-party meetings, directors are required to separately review the meeting documents and adopt resolutions through written circulation. When directors consenting to and signing the resolution reach the required number, such written-circulation resolution shall be passed.

Article 30 The chairman of the meeting may, if he/she deems necessary, adjourn or resume the board meeting.

Article 31 A director shall not be allowed to leave the board meeting halfway unless being approved by the chairman of the meeting and being remarked in the minutes, otherwise such director shall be deemed as being absent without any reason.

Article 32 The board of directors shall keep minutes of resolutions passed at the board meetings. The directors who attend the meeting shall sign on the minutes and assume liabilities for the same. The directors who attend the meeting in which the resolution is passed shall assume liability for any loss caused to the Company arising from the breach of any laws, regulations or the Articles of Associations by such resolutions of the board of directors. However, a director's liability may be waived if it is proved that such director has raised an objection to such resolution and such objection is recorded in the minutes of the meeting.

Each director attending the meeting shall have the right to request for an explanation of his/her comments made at the meetings to be noted in the minutes. If the directors disagree to the minutes of the meeting or the records of the resolutions, they may make written remarks when signing the said minutes or records. If a director neither signs to confirm in accordance with the preceding paragraph nor provides a written explanation for his/her different opinion, it shall be deemed that he/she fully agrees to the content of the meeting minutes and meeting resolution.

Article 33 The minutes of the board meeting shall include the following contents:

(1) the date, venue and convener's name of the meeting;

(2) names of directors present at the meeting and directors (proxies) present at such meeting on behalf of other directors;

(3) agenda of the meeting;

(4) summary of points raised by directors;

(5) manner and result of voting on each matter resolved (and the voting results shall set out the number of votes for, against or abstained a particular resolution).

CHAPTER 6 DOCUMENTATION OF THE BOARD MEETINGS

Article 34 The archive records of the board meeting including notices of meeting and meeting materials, attendance book of the meeting, power of attorney for the directors' appointment for attendance at the meeting, meeting taping information, votes, minutes signed and confirmed by attending directors, secretary to the board of directors and recorder, meeting summaries, resolution record, announcement of resolutions shall be kept by the special-assigned person. The retention period is no less than 10 years.

Article 35 The secretary to the board of directors shall be responsible for drawing up the measures for the documentation of the board meetings, and effectively managing the documents of the board meetings in accordance with relevant regulations.

CHAPTER 7 IMPLEMENTATION OF RESOLUTIONS OF THE BOARD OF DIRECTORS

Article 36 After the board of directors made decision, the board of directors shall distinguish different situations, or submit relevant matters and plans to the shareholder's general meeting for deliberation and approval, or submit relevant resolutions to the general manager who will organize the implementation by the management of the Company. The general manager shall report the implementation to the board of directors. During the adjournment of board meeting, the general manager may directly report to the chairperson of the board of directors, and the secretary to the board of directors shall be responsible for transmitting written reports to the directors.

Article 37 The chairperson shall periodically ascertain from the general manager and other senior management the implementation of the resolutions of the board of directors. The chairperson shall actively oversee the implementation of resolutions of the board of directors and inform other directors of relevant information in time. If the actual implementation is inconsistent with the contents of the resolution of the board of directors, or significant risks are found during the implementation process, the chairperson shall promptly convene the board of directors for deliberation and take effective measures.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

Article 38 For any matters not contained herein, the provisions of the relevant laws, administrative regulations, normative documents and the Articles of Association shall prevail.

Unless otherwise specifically stated, the expressions used in these Rules shall have the same meanings as those in the Articles of Association.

Article 39 The Company shall amend these Rules under any of the situations as follows:

(1) the relevant national laws, regulations or normative documents are amended, or new laws, regulations or normative documents are formulated and promulgated, and the matters provided for in these Rules are in conflict with the provisions of the aforesaid laws, regulations or normative documents;

(2) after the amendments to the Articles of Association, the matters stipulated herein become in conflict with the provisions of the Articles of Association;

(3) the shareholders' general meeting has decided on making amendments to these Rules (taking effect upon the approval by way of special resolutions at the shareholders' general meeting).

Article 40 In these Rules, the terms "or more", "within" and "below" include the given figure; the terms "more than", "over" and "less than" do not include the given figure.

Article 41 The board of directors of the Company shall be responsible for the interpretation and amendment of these Rules.

Article 42 These Rules, as an appendix to the Articles of Association, shall come into effect and be implemented from the date when they are considered and approved by the general meeting of the Company ~~and the overseas listed foreign shares (H Shares) issued in the initial public offering of the Company are listed and traded on The Stock Exchange of Hong Kong Limited~~.

Shiyue Daotian Group Co., Ltd.
Working Rules for the
Independent Non-Executive Directors

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further improve the corporate governance structure of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company"), and create sound working environment for independent non-executive directors, enhance the standard operation of the Company, and give full play to the role of independent non-executive directors, these Rules have been formulated in accordance with the *Company Law of the PRC* (hereinafter referred to as the "Company Law"), the *Securities Law of the PRC* (hereinafter referred to as the "Securities Law") and other laws, regulations, normative documents, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "Hong Kong Listing Rules"), the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)*, as well as the relevant provisions of the *Articles of Association of Shiyue Daotian Group Co., Ltd.* (hereinafter referred to as the "Articles of Association").

Article 2 Independent non-executive directors of the Company refer to the directors who do not hold any other positions in the Company (other than as a director of the Company), and are not related to the Company and its substantial shareholders in a way that may hinder their independent and objective judgment.

Article 3 Independent non-executive directors shall have the obligation of fidelity and diligence to the Company and all the shareholders. Independent non-executive directors shall seriously perform their duties in accordance with the requirements of relevant laws and regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association in order to protect the overall interests of the Company.

Article 4 Independent non-executive directors shall perform their duties independently without being subject to the influence of the Company's substantial shareholders, de facto controllers or other entities or individuals who have an interest in the Company. In the process of performing their duties, they should not be affected by the Company' s controlling shareholders, de facto controllers, and other entities or individuals that have an interest in the Company; in case of any situation affecting the independence of identity, the independent non-executive directors shall timely notify the Company and eliminate it, and resign if failing to satisfy the independence conditions.

Article 5 Independent non-executive directors of the Company shall include at least 1 member possessing appropriate professional qualifications or accounting or related financial management expertise.

With regard to "appropriate accounting or related financial management expertise" in the preceding paragraph, the person is expected to have, through experience as a certified public accountant or auditor or as a chief financial officer or principal accounting officer of a public company or through performance of similar functions, experience with internal controls and in preparing or auditing comparable financial statements or experience analyzing audited financial statements of public companies. It is the responsibility

of the board of directors to determine on a case-by-case basis whether the individual is suitable for the position. In making its decision, the board of directors must evaluate the totality of the individual's education and experience.

Article 6 Independent non-executive directors shall ensure to have sufficient time and energy to effectively perform duties as independent non-executive directors.

Article 7 The board of directors of the Company has established, among others, remuneration committee, audit committee and nomination committee, more than half of the members of the committees shall be independent directors. Independent non-executive directors of the audit committee shall serve as conveners, and at least 1 independent non-executive director shall be an accounting professional.

Independent non-executive directors shall not serve concurrently as any position other than the members of special committees under the board of directors of the Company.

CHAPTER 2 QUALIFICATIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Article 8 Independent non-executive directors shall meet qualifications and independence appropriate to the exercise of their functions and powers and pursuant to the relevant laws, administrative regulations, normative documents, rules, the Hong Kong Listing Rules and other regulations.

Article 9 To ensure the independence of independent non-executive directors, the following persons shall not serve as independent non-executive directors of the Company:

(1) any persons who hold positions in the Company or its subsidiaries and their direct family members and major social relations (in which direct family members refer to their spouses, parents and children etc.; and major social relations refer to siblings, parents-in-law, sons or daughters-in-law, spouses of their siblings and siblings of their spouses etc.);

(2) any persons directly or indirectly holding 1% or more of the issued shares of the Company or being natural person shareholders and their direct family members among the top ten shareholders of the Company;

(3) any persons and their direct family members who work in entities which are such shareholders of the Company directly or indirectly holding 5% or more of the issued shares of the Company or in the top five shareholder entities of the Company;

(4) any persons who have had the circumstances stated in the preceding three items within the most recent year;

(5) any persons who provide financial, legal and consultation services to the Company or its subsidiaries;

(6) any persons have obtained any interest in securities of the listed issuer from a core connected person or the listed issuer itself by way of gift or other financial assistance, unless otherwise specified in the Hong Kong Listing Rules;

(7) such director is the director, partner or principal of professional advisers who is providing services to the following companies/persons or did so within two years before being appointed, or the employee of the professional advisers who is then involved, or has been involved during the same period, in providing such services to the following company/persons: (a) the listed issuer, its holding company or any of their respective subsidiaries or core connected persons; or (b) any person who has been a controlling shareholder of the listed issuer or, if the issuer has no controlling shareholder, a chief executive or director (other than an independent non-executive director) of the listed issuer, or any of his/her close associates, within one year before the date of the proposed appointment of such person as an independent non-executive director;

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

(9) such director serves on an member of the board of directors for the purpose of protecting an entity whose interests are different from those of the shareholders as a whole;

(10) such director has been connected with a director, chief executive or substantial shareholder of the listed issuer for the time being or within two years prior to the date of his proposed appointment as an independent non-executive director;

(11) such director is (or has been within two years prior to the date on which he is proposed to be appointed as a director) a listed issuer, an executive or director (other than an independent non-executive director) of its holding company or any of its respective subsidiaries or any core connected person of the listed issuer;

(12) such director is financially dependent on the listed issuer, its holding company or any of their respective subsidiaries, or a core connected person of the listed issuer;

(13) other persons stipulated in the Articles of Association.

CHAPTER 3 NOMINATION, ELECTION AND CHANGE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Article 10 The board of directors, ~~the board of supervisors or~~ shareholders individually or collectively holding 3% or more of the issued shares of the Company may nominate candidates for independent non-executive directors to be elected at the shareholders' general meeting.

Article 11 The consent to the nomination for independent non-executive directors shall be obtained from the nominee before the nomination. The nominator shall have full knowledge of the nominee's general information such as profession, educational background, professional title, detailed working experience and all other posts he/she concurrently holds.

Article 12 The board of directors of the Company shall announce the above details as required before the convening of a shareholders' general meeting to elect independent non-executive directors.

Article 13 The term of office of an independent non-executive director shall be the same as that of other directors of the Company. Upon the expiry of his/her term, he/she may serve another term if re-elected subject to retirement by rotation and re-election in accordance with the Hong Kong Listing Rules. If an independent non-executive director has served more than nine years, his/her further appointment shall be subject to a separate resolution to be reviewed and approved by the shareholders. The papers to shareholders accompanying that resolution shall state why the board of directors (or the nomination committee) believes that the director is still independent and shall be re-elected, including the factors considered, the process and the discussion of the board of directors (or the nomination committee) in arriving at such determination.

If all independent non-executive directors on the board of directors of the issuer have served more than nine years, the Company shall disclose the name and term of office of the independent non-executive directors in the circular to shareholders and/or explanatory statement attached with the notice of annual shareholders' general meeting, and appoint a new independent non-executive director at the next annual shareholders' general meeting.

Article 14 The independent non-executive directors shall attend board meeting as scheduled, in order to understand the production, operations and operating situations of the Company, actively investigate and obtain necessary information for making decision.

Article 15 If an independent non-executive director fails to attend a board meeting in person for 3 consecutive times, the board of directors shall submit to the shareholders' general meeting for removal of such director. Except for the circumstances mentioned above and such other circumstances as prescribed in the Company Law in which a person shall not act as a director, an independent non-executive director shall not be dismissed without a proper reason before the expiry of his/her term of office.

Article 16 An independent non-executive director may resign before the term of his/her office expires. He/she shall submit a written resignation report to the board of directors.

CHAPTER 4 FUNCTIONS AND POWERS AND OBLIGATIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Article 17 Independent non-executive directors shall have the following functions and powers other than those of a director conferred by the Company Law and other relevant laws and regulations, normative documents and the Articles of Association:

(1) all major related transaction (determined in accordance with the effective rules released by the Company's stock exchange from time to time) considered by the board of directors or shareholders' general meeting shall be submitted to the board of directors for discussion after approval by the independent non-executive directors. When the board of directors makes any resolution on the Company's related transactions, such resolution shall enter into force upon signature by the independent non-executive directors. Prior to judgment by the independent non-executive directors, it is to appoint intermediaries to issue independent financial consultant report as the basis for judgment;

(2) to propose appointment or dismissal accounting firm to the board of directors;

(3) to submit an application to the board of directors for holding an extraordinary shareholders' general meeting;

(4) to propose the convening of board meeting;

(5) to independently appoint external audit institution and consulting institution;

(6) to solicit voting right from shareholders in a public manner prior to convening the shareholders' general meeting;

(7) when the independent non-executive directors exercise the functions and powers as prescribed in paragraph (1) and (2) of this Article, the case shall be only submitted to the board of directors for discussion upon consent by half of the independent non-executive directors; for paragraph (3), (4) and (6), it shall be approved by more than half of the independent non-executive directors; for paragraph (5), it shall be approved by all independent non-executive directors. All fees arising from exercising the aforesaid functions and powers by the independent non-executive directors shall be borne by the Company. If the above-mentioned proposals are refused or the functions and powers are unable to be exercised, the Company shall disclose the information concerned.

Article 18 Independent non-executive directors shall have the right to give independent opinion on the following major matters to the board of directors or the shareholders' general meeting:

(1) external guarantee;

(2) major related transactions;

(3) to nominate, appoint, or remove directors;

(4) to appoint or dismissal senior management;

(5) to determine the remuneration and the share incentive schemes of the Company's directors and senior management;

(6) to formulate plan for conversion of capital reserve into share capital;

(7) to formulate profit distribution policy, profit distribution plan and cash distribution plan;

(8) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;

(9) non-standard unqualified audit opinions issued by certified public accountants on the financial reports of the Company;

(10) to appoint or dismissal accounting firms;

(11) restructuring or sale of material asset of the Company;

(12) internal control evaluation report of the Company;

(13) matters that are deemed by independent non-executive directors to be detrimental to the shareholders' interests;

(14) other matters stipulated in laws, regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association.

With respect to the matters mentioned above, independent non-executive directors shall provide one of the following kinds of opinions:

(1) a consent opinion;

(2) a qualified opinion and its reasons;

(3) a negative opinion and its reasons;

(4) a non-comment opinion and the hurdles for giving such opinion.

When a relevant matter is required to be disclosed, the Company shall have the independent non-executive directors' opinions published, and in case of any dispute and failure to reach an agreement among the independent non-executive directors, the Company shall disclose their opinions separately.

Article 19 Independent opinions issued by the independent non-executive directors on material matters shall at least include the following:

(1) basic information of the material matters;

(2) the basis of opinions, including the procedures performed, the documents reviewed and the contents of on-site inspection;

(3) the legality and compliance of the material matters;

(4) the impact on the rights and interests of the Company and shareholders, the potential risks and the measures adopted by the Company;

(5) conclusive opinions expressed. If a qualified opinion, objection is given or being unable to express an opinion on material matters, the relevant independent non-executive directors shall explicitly explain the reasons;

The independent non-executive directors shall sign and confirm their independent opinions issued, and report such opinions to the board of directors in a timely manner.

Article 20 At the annual shareholders' general meeting of the Company, independent non-executive directors shall submit work reports, and make an explanation of the performance of their duties. The work reports of independent non-executive directors shall include the following:

(1) attendance at the board meetings and shareholders' general meetings in the previous year, including reasons and times for failure to present in person;

(2) presentation and vote at the board meetings, including circumstances of and reasons for waiver or veto;

(3) investigations on the Company's production and operation, system construction and implementation of resolutions of the board of directors; discussions with the Company's management; on-site researches on the Company's major investment, production and construction projects;

(4) participation in training;

(5) other work done for performing independent non-executive directors' duties in accordance with relevant regulations, rules, normative documents, the Hong Kong Listing Rules and the Articles of Associations;

(6) self-examination conclusion on whether he/she is still in compliance with provisions of independence and whether there is any change in his/her candidates' statements and commitments.

The independent non-executive directors' work report shall be based on the written work records, describing the time, place, work done, follow-up, etc. done by their for discharging duties, and the same shall be signed and confirmed by themselves and submitted for filing and keeping by the Company together with the documents of the annual shareholders' general meeting.

Article 21 Independent non-executive directors who find any of the following shall actively and proactively perform the obligation of due diligence to understand the situation, and engage an intermediaries to carry out special investigations if necessary:

(1) important matters fail to submit to the board of directors or shareholders' general meeting for consideration as required;

(2) possible existence of false records, misleading statements or material omissions in the information released by the Company;

(3) possible violations of laws, regulations or the Articles of Association in the Company's production and operation;

(4) other circumstances which are suspected of violating the laws and regulations or prejudicing the legitimate rights and interests of shareholders.

If the above-mentioned circumstances are confirmed to exist, the independent non-executive directors shall immediately supervise and urge the Company or relevant entities to rectify.

Article 22 If there is a conflict between shareholders or directors of the Company that has a material impact on the operation and management of the Company, the independent non-executive directors shall actively perform their duties to safeguard the overall interests of the Company through independent, constructive and informed comments.

Article 23 Independent non-executive directors shall communicate with the management of the Company in a timely and adequate manner, in particular the secretary to the board of directors, to ensure that the work of the independent non-executive directors is carried out smoothly.

Article 24 If an independent non-executive director is unable to attend a board meeting in person for any reason, he/she shall review the meeting materials in advance, form specific opinions, and entrust in writing another independent non-executive director of the Company to attend the meeting on his/her behalf. However, an independent non-executive director shall not appoint another independent non-executive director to vote on his/her behalf.

The power of attorney shall specify:

(1) the names of the principal and proxy;

(2) the scope of authorization to the proxy;

(3) the instructions of the principal on the voting intention of each proposal;

(4) signature of the principal and date.

The independent non-executive directors shall not issue a blank power of attorney, nor shall delegate discretionary power to the proxy. The delegation shall be granted on a case-by-case basis.

The independent non-executive director who is appointed as a proxy for the board meeting shall submit to the chairman of the meeting the written power of attorney and specify in the attendance record that he/she attends the meeting as a proxy. An independent non-executive director shall not accept the delegation of more than two independent non-executive directors at a board meeting.

Independent non-executive directors shall attend the shareholders' general meeting of the Company in person and communicate with the Company's shareholders on site.

Article 25 Independent non-executive directors shall pay special attention to the connected transactions, external guarantees, the use of proceeds, the protection of public shareholders, mergers and acquisitions and restructuring, material investment and financing activities, financial management, remuneration of the senior

management, profit distribution and other matters and shall propose to convene a board meeting, propose resolutions to shareholders' general meeting for consideration and approval or engage an accounting firm to conduct audit for relevant matters according to relevant requirements when necessary.

Article 26 Independent non-executive directors shall prepare work records in respect of examination of the establishment and implementation of systems for production and operation, management and internal control and implementation of resolutions of the board of directors of the Company, discussion with the Company's management, and opinions given at board meetings, and on-site study of material investments, production and construction projects of the Company.

The work sheets of independent non-executive directors and information provided by the Company to independent directors shall be properly kept by independent non-executive directors.

CHAPTER 5 WORKING CONDITIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Article 27 The Company shall ensure that independent non-executive directors have right to enjoy the equal right to know as other directors do by providing relevant materials and information to independent non-executive directors in a timely manner and regularly informing independent non-executive directors of the operation of the Company. Where necessary, the Company shall organize independent non-executive directors for site visit. With respect to matters that shall be submitted to the board of directors for decision, the Company shall notify independent non-executive directors in advance within legally prescribed time and provide them with sufficient materials. Independent non-executive directors may ask for supplementary materials if they consider the given materials incomplete. When two or more independent non-executive directors consider that the materials are incomplete or the argumentation is unclear, they may jointly propose in writing to the board of directors to postpone the convening of the board meeting or to postpone the consideration of the matter, which shall be adopted by the board of directors.

Article 28 Information provided by the Company to independent non-executive directors shall be kept by both parties for at least ten years.

Article 29 The Company shall provide independent non-executive directors with working conditions necessary for the performance of duties. The secretary to the board of directors of the Company shall actively assist independent non-executive directors in the performance of duties, such as briefing independent non-executive directors on relevant information and providing materials.

Independent non-executive directors shall have the right to require other directors, ~~supervisors,~~ senior management to offer active cooperation and to ensure their legal exercise of functions and powers and have the right to demand the secretary to the board of directors of the Company to communicate and contact with them, deliver materials as well as provide support and assistance for their performance of duties.

Support and assistance include:

(1) regularly report and timely submit the Company's operating status, introduce the development status of the Company related market and industries, provide other related materials and information, ensure that independent non-executive directors enjoy the equal right to know as other directors do, organize independent non-executive directors to conduct on-site researches (if necessary);

(2) provide independent non-executive directors with information disclosure publications or corresponding electronic materials about the public information released by the Company;

(3) cooperate with independent non-executive directors to carry out duty performance related investigations;

(4) provide independent non-executive directors with meeting places in case they deem it necessary to convene a meeting of independent non-executive directors only;

(5) actively cooperate with independent non-executive directors to access relevant materials, and provide them with necessary support and convenience for their performance of duties by arranging on-site inspection, organizing securities service provider to conduct regular reports;

(6) require the Company's relevant responsible persons to offer cooperation in signing and confirming major matters involved in independent non-executive directors' work records relating to their performance of duties;

(7) other convenience and cooperation that the Company is required to provide by independent non-executive directors for their performance of duties.

In case of any obstruction while exercising the functions and powers conferred by laws and regulations, independent non-executive directors may report the relevant situation to the board of directors of the Company and require the management or the secretary to the board of directors to offer cooperation, and record the fact of encountering obstructions and solutions into work records.

Article 30 When an independent non-executive director exercises his/her functions and powers, relevant persons in the Company shall cooperate actively and shall not turn down his/her requests, hinder his/her work or conceal information from him/her, nor shall they interfere with the exercise of his/her functions and powers independently.

Article 31 Expenses incurred from the engagement of intermediaries and other expenses relating to the performance of functions and powers by independent non-executive directors shall be borne by the Company.

Article 32 The Company shall grant appropriate allowances to independent non-executive directors, unless laws and policies provide otherwise, and reimburse the independent non-executive directors out of pocket expenses incurred in attending board meetings, shareholders' general meetings and the exercise of functions and powers as required in the Articles of Association. The standard of the allowances shall be proposed by the board of directors for consideration and approval at the shareholders' general meeting.

Article 33 Independent non-executive directors shall not receive any extra interests from the Company and its substantial shareholders or other interested entities and persons other than the above-mentioned allowances and expenses.

CHAPTER 6 PERFORMANCE REQUIREMENTS FOR ATTENDING BOARD MEETINGS

Article 34 After receiving the notice of the board meeting, independent non-executive directors shall review the legality of the procedure, form and content of the notice of the meeting. Once non-conformity is identified, they may ask the secretary to the board of directors to explain or correct them.

Article 35 Independent non-executive directors shall be fully aware of the matters to be considered at the meeting and understand the relevant accounting and legal knowledge before the meeting.

Independent non-executive directors have the right to require the Company to notify relevant matters in advance in accordance with the provisions of the Articles of Association, and to provide complete finalized materials at the same time. Independent non-executive directors who believe that the Company shall provide other materials required for the performance of their duties have the right to urge the Company to supplement. Independent non-executive directors have the right to request the secretary to the board of directors and other responsible persons to provide assistance on relevant matters.

Independent non-executive directors may obtain the information required for decision-making from the Company's management, each of the special committees of the board of directors, the office of the board of directors, intermediary service institutions related to the matters under consideration and other institutions and persons, or suggest the chairman of the meeting to invite representatives of relevant institutions or relevant persons to the meeting to explain the relevant situation before the meeting.

Article 36 Independent non-executive directors who believe that the content of the proposal at the board meeting is unclear, unspecific, or the relevant materials are insufficient may directly or through the secretary to the board of directors request the proposer to supplement information or make further explanations.

Independent non-executive directors may understand or investigate the Company's relevant matters before making judgments on the matters considered by the board meeting, and require the Company to actively cooperate.

Article 37 Independent non-executive directors may employ an accounting firm or other intermediary service agencies to verify the Company's relevant situations. In case of any abnormal situations, they shall promptly ask the Company's board of directors to take corresponding measures.

Article 38 Independent non-executive directors shall attend the Company's board meeting in person.

If independent non-executive directors are not able to attend the meeting in person due to certain reasons, they shall review the meeting materials in advance, form clear opinions and appoint other independent non-executive directors of the Company in writing to attend the meeting on their behalf.

If independent non-executive directors do not attend the board meeting in person and do not appoint other independent non-executive directors to attend the meeting on their behalf, they shall review the resolutions and minutes of the meeting in a timely manner after the meeting. If independent non-executive directors have doubts about the legality of the content or procedures of the meeting resolutions, they shall raise enquiries to relevant persons; if the resolutions of the board meeting are found to be illegal, they shall immediately request the Company to correct.

Article 39 In the course of the board meeting, independent non-executive directors shall pay attention to the legality of the proceedings of meetings so as to prevent defects in the proceedings of meetings. Independent non-executive directors shall pay special attention to whether the following procedural rules of the board meeting are strictly observed:

(1) resolutions that need to be approved in advance by independent non-executive directors or reviewed in advance by the special committees of the board of directors as required by regulations shall not be considered at the board meeting without the written approval of independent non-executive directors or the written review opinions submitted by the special committees to the board meeting;

(2) once the specific agenda of a meeting is determined, it shall not arbitrarily add or remove the subjects or change the order of them, nor shall it arbitrarily merge or split up the subjects;

(3) except with the unanimous consent of all directors present at the meeting, the board meeting shall not adopt a resolution on any proposals which are not presented in the meeting notice.

Article 40 Independent non-executive directors shall pay attention to whether the form of board meetings meets the following relevant requirements:

(1) board meetings shall in principle be held by the way of on-site meetings;

(2) for any resolution which is to be considered and approved by way of a board resolution but does not really need on-site communication and discussion among directors, relevant resolution can be made by way of telecommunications. If laws, regulations, normative documents and the Articles of Association provide otherwise or regarding material resolutions that shall be approved by more than two-thirds of directors, it is not appropriate to hold meetings by way of telecommunications;

(3) in principle, the matters related to telecommunications shall be delivered to all directors within five (5) days before the voting, and relevant background information on the subjects of the meeting and relevant information and data which are conductive to the decision-making shall be provided. When the meeting is convened by telecommunications, the principle of voting separately shall be adopted provided that full express of opinions of directors is guaranteed. The directors shall not be required to make only one vote upon multiple matters.

Article 41 Independent non-executive directors shall carefully read the relevant materials of the meetings, express opinions independently, objectively and prudently on the basis of full understanding, and ensure that the opinions expressed or their key points are recorded in the minutes of the board meetings.

Article 42 Where 2 or more independent non-executive directors determine that they cannot make judgments with respect to a resolution because the relevant subjects is not clear nor specific or the meeting documents are inadequate, they may require the meeting to suspend voting on the resolution.

Independent non-executive directors proposing suspension of voting shall provide definite requirements for the conditions to be met for resubmitting the resolution for consideration.

Article 43 Independent non-executive directors shall supervise and urge the Company to prepare minutes of board meetings. Upon completion of the proceedings of the board meeting, independent non-executive directors shall sign their names on the minutes and resolution of meeting for confirmation on behalf of themselves or the directors who appoint them to attend the meeting. If any independent non-executive directors holds dissenting opinions to the minutes or resolution of meeting, he/she may make a written note when signing his/her name.

Article 44 The inquiries, investigations, and discussions conducted by the independent non-executive directors on the consideration of the meeting and related matters shall be filed, and various correspondence, faxes, e-mails and other materials with the Company shall be kept, and work-related communication with the staff of the Company shall be recorded afterwards.

If the board meeting is held by telephone or video, independent non-executive directors shall require sound recording and video recording, and shall review and save electronic copies after the meeting.

The aforementioned materials, together with the paper and electronic materials provided by the Company to independent non-executive directors, shall be sorted out in a timely manner and properly kept by independent non-executive directors, and the Company may be required to provide corresponding assistance when necessary.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 45 Unless otherwise specified, these Rules used herein have the same meanings as those in the Articles of Association.

Article 46 In case of any matters not covered herein or any conflicts between these Rules and the relevant provisions of laws, regulations, rules, normative documents, the Hong Kong Listing Rules and the Articles of Association, the provisions of those laws, regulations, rules, normative documents, the Hong Kong Listing Rules and the Articles of Association shall prevail.

Article 47 These Rules shall be prepared by the board of directors of the Company, and shall come into effect and be implemented from the date when they are considered and approved at the shareholders' general meeting of the Company ~~and upon the listing and trading of the Company's overseas listed foreign shares (H shares) by initial public offering on The Stock Exchange of Hong Kong Limited~~.

Shiyue Daotian Group Co., Ltd.
Administrative System for Related Party Transactions

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to guarantee the fairness of connected transactions of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company"), ensure that the Company's connected transactions are concluded in a fair, equal and transparent manner and compliant with the regulatory requirements of the regulatory authorities, and safeguard the interests of the Company and all shareholders, the administrative system for related party transactions (the "System") are hereby formulated in accordance with the Company Law of the People's Republic of China, the Trial Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises, 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 laws, regulations, normative documents and the Articles of Association of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Articles of Association").

Article 2 The System shall apply to connected transactions occurring in the Company and its wholly-owned and controlling subsidiaries (hereinafter referred to as the "subsidiaries").

The System are also binding on connected persons such as substantial shareholders, directors~~, supervisors~~ and senior management of the Company and its subsidiaries. Those who take advantage of their connected relationships to prejudice the interests of the Company must bear the liability for compensation specified in the System.

Article 3 The Company shall follow and implement the following basic principles and comply with the relevant provisions of the Hong Kong Listing Rules in the recognition of connected relationships and handling of connected transactions:

(1) the price of connected transactions shall be determined in compliance with the principle of "justice, fairness, openness, equivalence and compensation", which in principle, shall not deviate from the price standard offered by the independent third party in the market. For connected transactions where it is difficult to compare the market price or the pricing is restricted, the price of the connected transaction shall be determined on the basis of cost plus reasonable profit;

(2) connected directors and connected shareholders shall abstain from voting;

(3) to engage independent financial advisers or professional evaluation agencies to issue opinions and reports when necessary;

(4) the Company shall take effective measures to prevent connected parties from interfering in the Company's operations by monopolizing procurement or sales channels and damaging the Company's interests.

Connected transactions should have commercial substance. The Company and its connected parties shall not make use of connected transactions to convey benefits or adjust profits, and shall not conceal connected relationships in any way. When handling connected transactions with connected parties, the Company shall abide by the principle of good faith and shall not harm the legitimate rights and interests of shareholders.

Article 4 When performing the decision-making procedures for connected transactions, the Company must strictly implement the recusal system of connected party from voting to ensure the fairness and transparency of connected transactions. It is necessary to give full play to the responsibilities and role of independent directors in the decision-making procedures of connected transactions. The directors~~, supervisors~~ and senior management of the Company are not allowed to circumvent connected transaction decision-making procedures by concealing or even falsely reporting information on connected party. Relevant personnel of the Company shall bear the responsibility for loss of the Company's interests due to unfair connected transactions.

CHAPTER 2 CONNECTED PERSONS AND CONNECTED RELATIONSHIPS

Article 5 A connected person of the Company is:

(1) directors (including any person who was a director of the Company or any of its significant subsidiaries in the last 12 months), ~~supervisors,~~ general managers and substantial shareholders (hereinafter referred to as the "Basic Connected Persons") of the Company and its significant subsidiaries (for details of the identification of non-significant subsidiaries, please refer to Chapter 8 of the System). A substantial shareholder 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 or each of its significant subsidiaries;

(2) an associate of any of the above Basic Connected Persons (defined in Chapter 8 herein);

(3) a non-wholly-owned subsidiary of the Company where any Basic Connected Person and their associates of the Company are (individually or together) entitled to exercise or control the exercise of, 10% or more of the voting rights (other than any indirect rights in the subsidiary held by such persons through the Company) at any shareholders' general meeting of such non-wholly-owned subsidiary shall be the connected person of the Company;

(4) any subsidiary at various levels of such non-wholly-owned subsidiaries of the Company as mentioned in the above item (3);

(5) a person deemed to be connected by The Stock Exchange of Hong Kong Limited.

Article 6 In addition to the above persons, connected persons shall include any natural and legal person identified as a connected person in accordance with the rules promulgated by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") coming into force from time to time thereafter.

CHAPTER 3 CONNECTED TRANSACTIONS

Article 7 Connected transactions of the Company refer to any transactions between the Company or its branches and subsidiaries and connected persons of the Company, including but not limited to transactions such as provision of products, provision of guarantees, provision of financial assistance, issuance of shares, provision of services or joint sharing of services, establishment of joint venture arrangements, etc.

Article 8 Connected transactions of the Company may be one-off connected transactions and continuing connected transactions.

A continuing connected transaction is a connected transaction involving goods, services or the provision of financial assistance that is expected to be carried out on a continuing or recurring basis over a period of time, usually in the ordinary course of the Company's business, including:

(1) selling products and goods;

(2) providing or accepting labour services;

(3) appointing others or being appointed for sales;

(4) signing license agreement;

(5) transferring or acquiring R&D projects;

(6) appointing others or being appointed for management of assets or business;

(7) lease-in/lease-out of assets;

(8) providing financial assistance;

(9) any other matter which shall be identified as a continuing connected transaction in accordance with the provisions of the Hong Kong Listing Rules.

One-off connected transactions are connected transactions other than the continuing connected transactions described above, such as asset transactions and other connected transactions.

CHAPTER 4 ADMINISTRATION OF THE CONNECTED TRANSACTIONS

Article 9 The shareholders' general meeting of the Company shall be responsible for the approval of connected transactions that should be decided by the shareholders' general meeting as stipulated by laws and regulations as well as securities regulatory rules of the place where the Company's shares are listed.

The board of directors of the Company shall be responsible for the approval of connected transactions other than those specified in the preceding paragraph and other connected transactions as prescribed by the securities regulatory rules of the place where the Company's shares are listed.

The audit committee of the board of directors of the Company is responsible for the confirmation of the list of connected persons of the Company, the overall and regular review of connected transactions of the Company.

The general manager of the Company considers and decides the connected transactions within his or her competence.

Article 10 For connected transactions to be carried out by the headquarters departments, branches and subsidiaries (organizing units) of the Company, when making preliminary decisions, they must make judgments on the pricing policy, necessity and feasibility of the transaction and the impact on the interests of the Company and shareholders, and ensure that the transaction conditions are fair and reasonable, and are conducted on normal commercial terms or better, and in line with the interests of the shareholders of the listed issuer as a whole.

Article 11 The Company's approval of connected transactions is carried out in accordance with the following procedures:

(1) the organizing department/unit shall issue preliminary decision-making opinions and submit them step by step. The enterprises directly under the Company shall fill in the approval form for filing connected transactions of the Company and formally submit the application to the board office of the Company;

(2) conducting the ratio test according to the transaction amount under the provisions of the Hong Kong Listing Rules, organizing and submitting to the board of directors, the shareholders' general meeting and other institutions for approval according to procedures, and approving according to the decision-making opinions;

(3) the organizing department/unit may sign the agreement on connected transactions only after obtaining the approval form for filing connected transactions approved by the Company.

Article 12 When the following connected transactions are submitted for centralized approval by enterprises directly under the Company, the transaction amount shall be calculated according to the principle of consolidated calculation within 12 consecutive months:

(1) transactions with the same connected persons or mutually connected persons;

(2) a component part involving the acquisition or sale of an asset or securities or equity of a company;

(3) involvement in a new business by the Company and its branches and subsidiaries, as a result of such transactions.

The same connected persons mentioned above include those directly or indirectly controlled by the same legal person or other organization or natural person, or have an equity control relationship with each other.

Article 13 The connected directors include the following directors or directors meet any of the following conditions:

(1) as the counterparty in the transaction;

(2) as the direct or indirect controller on the counterparty;

(3) serving in the counterparty, or in a legal person or other organization which can directly or indirectly control the counterparty or in a legal entity or other organizations which is directly or indirectly controlled by the counterparty;

(4) as close family members of the counterparty or its direct or indirect controllers;

(5) as close family members of the directors~~, supervisors~~ or senior management of the counterparty or its direct or indirect controllers;

(6) the independent business judgment of whom may be affected as a result of any conflict of interest with the Company.

Article 14 The connected shareholders include the following shareholders or shareholders meet any of the following conditions:

(1) as counterparty in the transaction;

(2) as the direct or indirect controller on the counterparty;

(3) being directly or indirectly controlled by the counterparty;

(4) being directly or indirectly controlled by the same legal person or other organizations or natural person as the counterparty;

(5) the voting rights of whom are restricted and affected due to unfulfilled equity transfer agreements or other agreements with the counterparty or its connected parties;

(6) shareholders who may cause the interests of the Company to be tilted in their favor.

Article 15 Procedures for recusal of connected directors from voting:

When the board of directors of the Company consider connected transactions, connected directors shall abstain from voting and shall not exercise voting rights on behalf of other directors. Such board meeting may be held only if a majority of the non-connected directors are present, and resolutions made at the board meeting shall be passed by a majority of the non-connected directors. If the number of non-connected directors present at the board meeting is less than three, the Company shall submit the transaction to the shareholders' general meeting for deliberation.

When the board votes on a connected transaction, the connected director should take the initiative to explain the situation and submit an application for withdrawal; the convener of the meeting should remind the connected director to withdraw from voting before the meeting. If the connected director fails to voluntarily explain the situation and recuses himself or herself, the director who knows the situation should request the connected director to recuse himself or herself.

Article 16 Procedures for recusal of connected shareholders from voting:

When connected transactions are considered at the shareholders' general meeting of the Company, connected shareholders shall abstain from voting and shall not exercise voting rights on behalf of other shareholders. When such shareholders review relevant connected transaction matters at the shareholders' general meeting, they should take the initiative to state the situation to the shareholders' general meeting and explicitly indicate that he/she will abstain from voting. The board of directors and the witness lawyer (if any) shall remind the connected shareholders to abstain from voting before the shareholders vote. If a connected shareholder fails to actively state the connected relationship, other shareholders may require him or her to explain the situation and abstain from voting. When a connected shareholder votes on a connected transaction, the number of shares held by him or her shall not be included in the total number of shares with valid voting rights. After the conclusion of shareholders' general meeting, if other shareholders discover that there are connected shareholders participating in voting on connected transactions, or shareholders have objections to whether the withdrawal should be applied, they have the right to file a lawsuit with the people's court on the relevant resolutions in accordance with the relevant provisions of the Company Law.

Connected transactions should be approved by more than one-half of the voting rights held by non-connected shareholders present at the shareholders' general meeting. The resolution of the shareholders' general meeting shall specify the voting situation of non-connected shareholders.

Article 17 The audit committee ~~board of supervisors~~ of the Company shall supervise the deliberation, voting and performance of connected transactions.

Article 18 When considering connected transactions, the Company shall perform the following duties:

(1) detailedly understand the real situation of the subject matter of the transaction, including the operation conditions, the profitability of the subject matter, the existence of defects in rights to the subject matter such as mortgage and freezing, and legal disputes such as lawsuits and arbitrations in relation to the subject matter;

(2) detailedly understand the credit records, credit standing, performance capabilities of the counterparty, etc., and carefully select a counterparty;

(3) determine the transaction price based on a sufficient pricing basis;

(4) engage an intermediary to audit or evaluate the subject matter of the transaction; the Company shall not consider and make decisions on connected transactions with an unclear subject matter, undetermined transaction price and unclear information on the counterparty.

Article 19 The Company shall enter into written agreements with connected persons inspect of the connected transctions, clarifying the rights, obligations and legal responsibilities of both parties to the transaction. The agreement should be entered into on an equal, voluntary, equivalent and compensatory basis, and the content of the agreement should be clear, specific and enforceable.

Article 20 The Company shall not considerate or make decisions on the connected transactions with any of the following circumstances:

(1) the status of the transaction objects remains unclear;

(2) the transaction price has not been determined;

(3) the situation of the counterparty is unclear;

(4) the transactions will or may lead to appropriation of the Company's non-operating funds by the controlling shareholders, de facto controllers and their subsidiaries;

(5) the transactions will or may lead to non-compliant provision of guarantee by the Company to its connected persons;

(6) other circumstances caused by the transactions that will or may lead to appropriation of the Company's interests by the connected persons.

CHAPTER 5 THE DISCLOSURE OF CONNECTED TRANSACTIONS

Article 21 The board office of the Company shall organize the disclosure of connected transactions required to be disclosed in accordance with the Hong Kong Listing Rules, and the organizing unit of the transaction shall be responsible for providing relevant information as required by the board office.

Article 22 The contents to be disclosed in an announcement relating to connected transactions mainly include:

(1) a general description of the connected transaction;

(2) the date of transaction;

(3) the name and principle business of the counterparty to the transaction and its connected relation with the Company;

(4) a brief description of the transaction and its purpose;

(5) the total consideration and terms;

(6) the time and manner of payment;

(7) the nature of the connected person's interest in the transaction;

(8) the reasons for and benefits of entering into the transaction;

(9) the opinions of the board of directors;

(10) whether there are any connected directors who are required to abstain from voting at the board meeting;

(11) in the case of a continuing connected transaction, the contractual term, the annual cap for transaction amount in each year and its determination basis, and the actual amounts incurred in connected transactions of the same category in the past three years; a confirmation by the independent non-executive directors in respect of the matters referred to in Rule 14A.55 of the Hong Kong Listing Rules; and a statement by the auditor in respect of the matters referred to in Rule 14A.56 of the Hong Kong Listing Rules;

(12) such other contents as may be required under the Hong Kong Listing Rules.

Article 23 A circular relating to connected transactions shall disclose, inter alia, the following:

(1) the full contents disclosed in the corresponding connected transaction announcement;

(2) whether there are any connected shareholders who are required to abstain from voting at the shareholders' general meeting;

(3) written opinions from the independent non-executive directors;

(4) written opinions from the independent financial advisers;

(5) basic information about the Company;

(6) such other contents as may be required under the Hong Kong Listing Rules.

CHAPTER 6 PRICING FOR CONNECTED TRANSACTIONS

Article 24 The pricing of the connected transaction shall be fair and shall be implemented with reference to the following principles:

(1) where a transaction is subject to a government prescribed price, such price shall be applied directly;

(2) where a government-guided price is available, the transaction price may be reasonably determined within the range of the government-guided price;

(3) in addition to the government-prescribed price and the government-guided price, where a comparable independent third party market price or pricing standards is available, reference may be made first to such prices or standards in determining the transaction price;

(4) where no comparable independent third party market price is available, reference may be made to the price of an unconnected transaction between a connected party and a third party independent of such connected party in determining the transaction price;

(5) where there is neither an independent third party market price nor an independent unconnected transaction price for reference, a reasonable component price may be used as the basis for pricing. Component price shall be the reasonable cost plus reasonable mark-up.

Article 25 In determining the price of connected transactions pursuant to item (3), (4) or (5) of the preceding article, the following pricing methods may be adopted depending on different connected transactions:

(1) cost-plus method, under which the price for a connected transaction shall be determined using the reasonable cost of connected transactions plus the gross profit of comparable unconnected transactions. This method applies to procurement, sale, transfer and use of tangible assets, provision of labour services, capital financing and other connected transactions;

(2) resale price method, under which the arms' length price of the goods purchased by a connected parties is the price of the goods resold by the connected parties to an unconnected parties less the gross profit from comparable unconnected transactions. This method applies to such business as the simple processing of goods by the reseller without any substantial value-added processing that changes the look, properties, structure or trademark of the goods, or the outright purchase and sale of the same;

(3) comparable uncontrolled price method, under which the price of a connected transaction shall be determined using the price for a same or similar transaction conducted between unconnected parties. This method applies to all types of connected transactions;

(4) transactional net profit method, under which the net profit of a connected transaction is determined using the profit indicator of comparable unconnected transactions. This method applies to procurement, sale, transfer and use of tangible assets, provision of labour services, and other connected transactions;

(5) profit split method, under which the amount of profit split between the Company and a connected parties is calculated according to their respective contribution to the consolidated profit from the connected transactions. This method applies where a connected transaction involves high degree of integration of each participant and makes it difficult to conduct stand-alone assessment of the transactional results attributable to each party.

Article 26 The principles and method for determining the price of the connected transaction shall be determined if the connected transaction cannot be priced in accordance with the above principles and method, so as to ensure the fairness of such pricing.

CHAPTER 7 SPECIAL PROVISIONS ON CONTINUING CONNECTED TRANSACTIONS

Article 27 Continuing connected transactions between the Company or each branch or subsidiary and connected persons of the Company shall be approved in the form of annual plans. The connected transactions within the annual plans issued by the board office shall be deemed to have been approved. Connected transactions that are not planned or exceed the planned amount shall be subject to the approval requirements of the System.

Article 28 The board office shall summarize the total annual amount of continuing connected transactions by category based on the annual applications for continuing connected transactions reported by each organizing unit. After performing relevant decision-making procedures in accordance with the provisions of the Hong Kong Listing Rules and organizing the signing of framework agreements as necessary, the office shall decompose and issue various annual continuing connected transaction plans to the Company's headquarters and each directly affiliated enterprise.

Article 29 As for the proposed continuing connected transaction approved, the organizing unit must enter into a written agreement with the connected person. For continuing connected transactions under the framework agreement for continuing connected transactions organized and signed by the board office, each organizing unit will sign a specific transaction contract in accordance with the framework agreement (the specific transaction contract shall not have any contradiction with the framework agreement, and the contract term, pricing principles and other major terms must be within the scope of the framework agreement). A continuing connected transaction agreement signed with a connected person shall include:

(1) pricing policy and basis;

(2) the price of the transactions;

(3) annual caps of the transaction amounts and the basis for their determination;

(4) the time and manner of payment;

(5) other key terms that shall be disclosed.

Article 30 The duration of continuing connected transaction agreements between the Company and a connected person should generally be limited to three years or less; for a transaction agreement for a fixed-term such as property leasing of more than three years, it shall be subject to the independent financial adviser on the explanation of the reasons for a longer period of such agreement and the confirmation that such period is consistent with the general treatment of such agreements in the industry.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

Article 31 Non-major subsidiary refers to a subsidiary whose total assets, profits, and income in comparison to the company meet the following conditions:

(1) less than 10% for each of the latest three financial years (or if fewer than three years are involved, then from the date of registration or establishment of the subsidiary); or

(2) less than 5% for the latest financial year.

Article 32 The "associates" in the System include:

(i) as for the natural person, an "associate" of a Basic Connected Person means:

(1) his or her spouse;

(2) a natural or adopted child or step-child of the person or his/her spouse, under the age of 18 years;

(the persons specified in the above item (1) and (2) are collectively referred to as "immediate family members")

(3) immediate family members is a beneficiary or, in the case of a discretionary trust, is (to its knowledge) a discretionary object;

(4) a person cohabiting with him/her as a spouse, or his/her adult child/step-child, parent, stepparent, brother, sister, step-brother or step-sister;

(5) any of the following relatives who may be deemed as an associate by the Hong Kong Stock Exchange: father in-law, mother-in-law, son in-law and daughter-in-law; grandparents; grandson (granddaughter); uncle and aunt and his/her spouse; brother-in-law and sister-in-law; and nephew and niece;

(the persons specified in the above item (4) and (5) are collectively referred to as "relatives")

(6) any company or any subsidiaries of such company in the equity interest of which his/her family members (individually or together) or the family members together with the himself/herself, his/her immediate family members and/or the trustee, taken together are interested so as to exercise or control the exercise of 50% or more of the voting rights at shareholders' general meeting of the company, or to control the composition of a majority of the board of directors;

(7) any company or any subsidiaries of such company in the equity interest of which his/her relatives (individually or together) or the relatives together with the himself/herself, his/her immediate family members and/or family members, taken together are interested so as to

exercise or control the exercise of 50% or more of the voting rights at shareholders' general meetings of the company, or to control the composition of a majority of the board of directors (in determining whether the majority control is held, the interests of the party and the person will be aggregated);

(8) any company in the equity interest of which he, his immediate family member and/or any of the trustees, taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or any other percentage ratios specified from time to time in the applicable Takeovers Codes for triggering a mandatory open offer) or more of the voting rights at shareholders' general meetings of the company, or to control the composition of a majority of the board of directors of the company; and

(9) any subsidiary of the company specified in above item (7) and (8);

(10) any joint venture partner of a cooperative or contractual joint venture (whether or not it is a separate legal entity) in which he/she, his/her immediate family members, and/or the trustee together directly or indirectly possess 30% or more of the capital contribution, assets, or entitlement to a share of the profit or other income from it (or such other percentage as may otherwise be prescribed under the PRC law which triggers the obligation to make a mandatory general offer, or establishes legal or managerial control over the enterprise).

(ii) in case the Basic Connected Person is a legal person:

(1) its controlling shareholders, the subsidiaries of its controlling shareholders, or each subsidiary of the company;

(2) the trustees, acting in their capacity as trustees, of any trust in favor of the company or, in the case of a discretionary trust, is (to the knowledge of the company) a discretionary object;

(3) any company in the equity interest of which the company and/or any other company as mentioned in item (1) and (2) above, taken together are directly or indirectly interested so as to exercise or control the exercise of 30% (or any other percentage ratios specified from time to time in the applicable Takeovers Codes for triggering a mandatory open offer) or more of the voting rights at shareholders' general meetings of the company, or to control the composition of a majority of the board of directors of the company; and

(4) any subsidiaries of the company as mentioned in item (3) above;

(5) any joint venture partner of a cooperative or contractual joint venture (whether or not it is a separate legal entity) in which the company, its subsidiaries, controlling company, or fellow subsidiary of controlling company and/or the trustee together directly or indirectly possess 30% or more of the capital contribution, assets, or entitlement to a share of the profit or other income from it (or such other percentage as may otherwise be prescribed under the PRC law which triggers the obligation to make a mandatory general offer, or establishes legal or managerial control over the enterprise).

(iii) In addition to the above, other natural and legal persons identified as associates pursuant to the Hong Kong Listing Rules.

Article 33 The "ratio tests" for the purpose of the System include:

(1) total assets test: the total assets which are the subject of the transaction divided by the latest disclosed audited or unaudited total assets of the Company;

(2) revenue test: the revenue attributable to the assets which are the subject of the transaction, excluding those items of revenue and gains that arise incidentally, divided by the audited revenue of the Company disclosed during the last year;

(3) profits test: the profits attributable to the assets which are the subject of the transaction (after deducting all charges except taxation and before non-controlling interests) divided by the audited revenue of the Company disclosed during the last year;

(4) consideration test: the consideration divided by the total market capitalisation of the listed company (calculated by multiplying the average closing share price of the Company's shares on the Hong Kong Stock Exchange for the five trading days prior to the transaction agreement by the total number of shares of the Company);

(5) equity capital test: where the shares of the Company are the nominal value of the share capital of the consideration for the transaction divided by the nominal value of the total issued share capital of the Company prior to the transaction.

Article 34 Matters not covered herein shall be implemented in accordance with the relevant requirements under the applicable national laws, regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association. Where the System is in conflict with the relevant requirements under the applicable laws, regulations, other normative documents, the Hong Kong Listing Rules and the Articles of Association, the relevant requirements under the applicable laws, regulations, other normative documents, the Hong Kong Listing Rules and the Articles of Association shall prevail.

Article 35 The words "more than", "within", "under" used to in the System shall include the given figure, while the word "over", "beyond", "less than" shall exclude the given figure.

Article 36 The board of directors of the Company shall be responsible for the interpretation of the System.

Article 37 The System are formulated by the board and shall come into effect and be implemented from the date when it is approved by the shareholders' general meeting~~ and upon the listing and trading of the Company's overseas listed foreign shares (H Shares) by initial public offering on The Stock Exchange of Hong Kong Limited~~.

Shiyue Daotian Group Co., Ltd.
Administrative System for External Guarantees

CHAPTER 1 GENERAL PROVISIONS

Article 1 The administrative system for external guarantee (the "System") are formulated in accordance with the provisions of the Company Law of the People's Republic of China, the Civil Code of the People's Republic of China (《中華人民共和國民法典》), the Trial Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises, 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, normative documents and the Articles of Association of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Articles of Association") for the purpose of regulating the external guarantees of Shiyue Daotian Group Co., Ltd. (hereinafter referred to as the "Company") and the Company's conduct therein and controlling the Company's operational risks.

Article 2 External guarantees in the System refer to the act whereby, in accordance with relevant laws and regulations and the guarantee contract or agreement, and based on the principles of fairness, voluntariness, and mutual benefits, the Company provides guarantee in certain forms to the guaranteed party and bears corresponding legal liabilities according to law, including the Company's guarantees to its subsidiaries. "The total amount of external guarantees of the Company and its subsidiaries" in the System refers to the sum of the total amount of the Company's external guarantees including the Company's guarantees to its subsidiaries and the total amount of the external guarantees of its subsidiaries.

The System applies to the Company and its controlled subsidiaries. The external guarantees of the Company's controlled subsidiaries shall be implemented in accordance with the System.

Article 3 The decisions about any external guarantee shall be made by the shareholders' general meeting and the board of directors, and all the external guarantees provided by the Company shall be subject to the approval by the shareholders' general meeting of the Company or the board of directors pursuant to relevant procedures. Where external guarantees constitute connected transactions, the relevant provisions of the "Administrative System for Related Party Transactions of Shiyue Daotian Group Co., Ltd." shall also be implemented.

The Company authorizes the financial department and the secretary to the board or the board office to be responsible for the Company's specific business of guarantees.

In establishing and implementing internal control of guarantees, the Company shall strengthen the risk control of key steps and take corresponding control measures to achieve the following objectives:

(1) to ensure the standard operation of guarantee business, prevent and control the risk of contingent liabilities;

(2) to ensure the guarantee business is true, complete and accurate;

(3) to comply with the relevant provisions of the PRC on guarantee;

(4) the relevant contracts and agreements must comply with the provisions of laws and regulations of the PRC, such as the Contract Law and the Guarantee Law, and the Articles of Association.

CHAPTER 2 APPROVAL AUTHORITY OF EXTERNAL GUARANTEES

Article 4 All directors of the Company shall prudently treat and strictly control the debt risks arising from external guarantees, and shall be jointly and severally liable for losses arising from illegal or improper external guarantees according to law. Controlling shareholders and other connected parties shall not compel the Company to provide guarantees for others.

Article 5 The following external guarantees to be provided by the Company shall be submitted to the shareholders' general meeting for consideration after review and approval by the board of directors:

(1) Any provision of guarantee, where the total amount of external guarantees provided by the Company and its controlled subsidiaries is 50% or more of the latest audited net assets;

(2) Any provision of guarantee, where the total amount of external guarantees provided by the Company is 30% or more of the latest audited total assets;

(3) Guarantees exceeding 30% of the Company's latest audited total assets, based on the principle of cumulative calculation of the guarantee amount for 12 consecutive months;

(4) Provision of guarantee to any item whose liability-asset ratio exceeds 70%;

(5) Provision of a single guarantee, the amount of which exceeds 10% of the latest audited net assets;

(6) Provision of guarantee to shareholders, de facto controllers and their connected parties;

(7) Other guarantees as stipulated by laws, administrative regulations, departmental rules, or the Articles of Association that shall be reviewed and determined by the shareholders' general meeting;

(8) Other circumstances as required by the stock exchange on which the shares of the Company are listed or the Articles of Association.

For guarantee matters within the authority of the board of directors, they shall be agreed upon by more than two-thirds of the directors attending the board meeting.

For the purpose of this article, the amount of the Company's external guarantees shall be the aggregate guaranteed amount that occurs within 12 consecutive months. The guaranteed amount for which the relevant approval procedures provided under this article have been performed shall not be included in any subsequent calculation for the purpose of this article.

Article 6 Any external guarantee not included in Article 5 hereof shall take effect upon the deliberation and approval by the board of directors.

An external guarantee subject to the approval of the board of directors must be signed and resolved by more than two-thirds of all members of the board of directors.

CHAPTER 3 ACCEPTANCE AND REVIEW OF THE APPLICATION FOR EXTERNAL GUARANTEES

Article 7 Any application for an external guarantee shall be submitted to the financial department of the Company. The guaranteed party shall submit the application for the guarantee along with any appendix thereto to the financial department at least five business days in advance, and the application shall at least include:

(1) general information about the guaranteed party;

(2) a description of the principal debt to be guaranteed;

(3) the type and duration of the guarantee;

(4) the main terms of a guarantee agreement;

(5) the guaranteed party's description of the payment plan for the guaranteed debt and the sources of such payment;

(6) a counter-guarantee scheme.

Article 8 When submitting a guarantee application, the guaranteed party shall also attach information related to the guarantee, including:

(1) a copy of the business license of the guaranteed party's enterprise as a legal person;

(2) the guaranteed party's latest audited financial statements of the previous year and the latest financial statements;

(3) the contract for the guaranteed principal debt;

(4) format text of the guarantee contract provided by the creditor;

(5) the guaranteed party's description of no major litigation, arbitration or administrative penalty;

(6) other materials deemed necessary by the financial department.

Article 9 After receiving the guaranteed party's application, the financial department shall timely investigate the credit status of the guaranteed party and conduct a risk analysis on the contemplated guarantee, and the written report of such investigation and analysis signed by the financial officers together with the application and photocopies of appendices to the application will be submitted to the secretary to the board or the board office.

Article 10 The secretary to the board or the board office shall conduct a compliance review and issue its opinion within three business days after receiving the written report from the financial department and the materials of the application.

Article 11 After the application passes the compliance review, the secretary to the board or the board office shall arrange for deliberation and approval of the application by the board of directors or the shareholders' general meeting in accordance with the relevant requirements under the Articles of Association.

Article 12 When deliberating the application for guarantee submitted by the guaranteed party, the board of directors shall be prudent and strictly control debt risks that may arise from external guarantees. If necessary, the board of directors may engage third-party professional institutions to assess the risk that may arise from external guarantees, and such assessment shall be the basis for the board of directors or the shareholders' general meeting to make its decision on the application for guarantee.

The independent non-executive directors of the Company shall give their independent opinions when an external guarantee is being deliberated by the board of directors. If necessary, an accounting firm may be engaged to audit the Company's previous and current external guarantees. In case the accounting firm identifies any irregularity, it shall timely inform the board of directors and report such irregularity.

Article 13 The Company shall, when providing an external guarantee, require the counter party to provide a counter guarantee, if possible, and shall prudently check the counter guarantor's actual affordability and the exercisability of the required counter guarantee.

Article 14 A director or shareholder who has an interest in a guarantee shall withdraw from voting on whether to approve such guarantee by the board of directors or the shareholders' general meeting of the Company.

Article 15 The investor relations management department shall record in detail the discussion and voting process relating to guarantees deliberated over at the board meeting and the shareholders' general meeting.

CHAPTER 4 THE ENTERING INTO OF THE GUARANTEE CONTRACT AND COUNTER-GUARANTEE CONTRACT

Article 16 When the Company provides external guarantees or accepts counter-guarantees, it shall enter into written contracts (including letters of guarantee, the same below).

Article 17 The guarantee contract and counter-guarantee contract shall be signed by the chairman of the Company or its authorized agent, and no other person shall enter into external guarantee contract on behalf of the Company without approval and authorization.

Without the resolution of the board of directors or the shareholders' general meeting of the Company, no person shall enter into external guarantee contract on behalf of the Company.

Article 18 The contents of any guarantee contract and counter-guarantee contract shall comply with the provisions of relevant PRC laws and regulations and the administrative system for external guarantees, and the main terms shall be clear and unambiguous.

Article 19 The guarantee contract and counter-guarantee contract shall at least specify the following terms:

(1) the category and amount of the debt to be guaranteed;

(2) the term for the debtor to settle debts;

(3) the form, amount, scope and term of guarantee;

(4) rights, obligations and default liabilities of the parties;

(5) applicable laws and ways to settle disputes;

(6) other matters deemed as necessary to be agreed upon by the parties.

Article 20 The financial department of the Company together with the secretary to the board or the board office shall be responsible for related legal formalities for the Company's external guarantees (e.g., mortgage and pledge), or counter-guarantee received by the Company, especially carrying out assets mortgage or pledge registration procedures with relevant government departments in time in case a counter-guarantee is provided to the Company.

Article 21 The Company should keep the guarantee contracts, the counter-guarantee contract and relevant primary information in good order, carry out any clearing or inspection in a timely manner, conduct verification with relevant institutions such as banks on a regular basis, assure the completeness, accuracy and validity of the filed information and note the effective term of the guarantee.

If any irregular contracts bypassing the procedures for consideration and approval by the board of directors or the shareholders' general meeting are identified in the course of contract management, they should be promptly reported to the board of directors~~ and the board of supervisors~~.

CHAPTER 5 DAILY MANAGEMENT AND RISK CONTROL OF GUARANTEES

Article 22 The financial department of the Company is responsible for the registration, cancellation and daily management of guarantees.

The financial department shall set up accounts to record the external guarantees truthfully, accurately and completely. Prior to the maturity of the liabilities guaranteed by the Company, the financial department shall actively supervise the guaranteed party to settle the liabilities in a timely manner.

The financial department shall properly keep and manage all documents and information relating to the Company's external guarantees (including, but not limited to, guarantee application letter and attachments, audit opinions of the financial department, the financial officers, the secretary to the board or the board

office and other departments of the Company, resolutions of the board of directors or the shareholders' general meeting, signed guarantee contract, counter-guarantee contract, and registration certificates for mortgages or pledges, etc.), and it shall fill out quarterly report forms recording details of the Company's external guarantees and report them to the board of the Company, as well as send the duplicate copies thereof to the general manager of the Company and the secretary to the board.

If the due guaranteed debt needs to extend its period and continues to be guaranteed by the Company, it shall be regarded as a new external guarantee and the approval procedures of guarantees must be performed in accordance with the procedures stipulated in the System.

Article 23 The Company shall designate a person of the financial department to continuously monitor the condition of the guaranteed party, collect the latest financial information and audit report of the guaranteed party, conduct analysis of its financial conditions and solvency on a regular basis, alert itself to developments of the guaranteed party such as its production operations, balance sheet status, external guarantees, mergers and demergers and changes in legal representative, and develop relevant financial files for regular reporting to the board of directors.

In the event of a gross deterioration in the operating conditions of the guaranteed party being identified or the occurrence of material events such as corporate dissolution or demerger, the pertinent officer in-charge should report to the board of directors in a timely manner and the board of directors shall adopt effective measures to minimize losses.

Article 24 When a debt for which the Company provides external guarantee is due, the Company shall procure the guaranteed party to repay the debt within the set time limit. If the guaranteed party fails to settle its debts overdue, or in the event of bankruptcy, dissolution or liquidation of the guaranteed party, or in the event of a creditor's claim that the guarantor should assume the guarantee obligation, the Company shall promptly obtain information about the guaranteed party's operation, financial position and debt repayment situation, and timely take remedial measures and initiate recourse.

CHAPTER 6 LIABILITIES

Article 25 The Company shall provide external guarantees in strict accordance with the System. In case of breach of any provision hereof, the board of directors will determine the appropriate punishment for the person responsible for the breach depending on the loss incurred by the Company, level of risk and the severity of the breach.

Article 26 Any director, the general manager or other officer of the Company who enters into a guarantee agreement without proper authorization in breach of the provisions hereof shall be held liable.

Article 27 In case any person from Company's departments handling or otherwise responsible for external guarantees breaches the provisions under the applicable laws or the System by neglecting the risks and providing guarantee without authorization, causing losses to the Company, such person shall be held liable for compensation.

In case any person from Company's departments handling or otherwise responsible for external guarantees neglects his or her duties, causing losses to the Company, he or she shall be subject to monetary or other types of administrative punishment depending on the severity of his or her negligence.

Article 28 If any person from the Company's departments handling or otherwise responsible for external guarantees acts without authorization, causing the Company to bear liability and subsequent losses where the Company is otherwise free from guarantor's liability according to laws, the Company shall subject the person to administrative penalty and require him or her to compensate the Company.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 29 Matters not covered herein shall be implemented in accordance with the relevant requirements under the applicable national laws, regulations, normative documents, the Hong Kong Listing Rules and the Articles of Association. Where the System is in conflict with the relevant requirements under the applicable laws, regulations, other normative documents, the Hong Kong Listing Rules and the Articles of Association, the relevant requirements under the applicable laws, regulations, other normative documents, the Hong Kong Listing Rules and the Articles of Association shall prevail.

Article 30 The words "more than" and "within" used to in the System shall include the given figure, while the word "exceeding" shall exclude the given figure.

Article 31 The board of directors of the Company shall be responsible for the interpretation of the System.

Article 32 The System are formulated by the board and shall come into effect and be implemented from the date when it is approved by the shareholders' general meeting~~ and upon the listing and trading of the Company's overseas listed foreign shares (H Shares) by initial public offering on The Stock Exchange of Hong Kong Limited~~.

Shiyue Daotian Group Co., Ltd.
十月稻田集團股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9676)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting of 2025 (the "**EGM**") of Shiyue Daotian Group Co., Ltd. (the "**Company**") will be held as on-site meeting at 2/F, Building A, Yisha Wenxin Plaza, Chaoyang District, Beijing, the PRC at 10:00 a.m. on Tuesday, December 16, 2025 for the purpose of considering, and if thought fit, approving (with or without modifications) the following resolution:

ORDINARY RESOLUTIONS

1. Appointment of Mr. HE Yang as an executive Director.

2. Appointment of Ms. GUO Hong as an independent non-executive Director.

3. Abolition of the Board of Supervisors.

4. Amendments to the Working Rules for Independent Non-executive Directors, Administrative System for Related Party Transactions, and Administrative System for External Guarantees.

SPECIAL RESOLUTIONS

5. Amendments to the Articles of Association.

6. Amendments to the Rules of Procedures of General Meetings and Rules of Procedures of Board Meetings.

CLOSURE OF THE REGISTER OF MEMBERS

For determining eligibility to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, December 11, 2025 to Tuesday, December 16, 2025, both days inclusive, during which period no transfer of Shares will be registered. To be eligible for attending and voting at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, December 10, 2025 for registration. Shareholders whose names appear on the register of members of the Company on Tuesday, December 16, 2025 shall be entitled to attend and vote at the EGM.

By order of the Board
Shiyue Daotian Group Co., Ltd.
Mr. Wang Bing
Chairman and Executive Director

Beijing, the PRC, November 27, 2025

As at the date of this notice, the Board comprises Mr. Wang Bing, Ms. Zhao Wenjun, Ms. Zhao Shulan and Mr. Shu Minghe as executive Directors; Mr. Chang Bin as non-executive Director; and Mr. Shi Ketong, Mr. Yeung Chi Tat and Mr. Lin Chen as independent non-executive Directors.

Notes:

1. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated November 27, 2025.

2. All votes of resolutions at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). 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.shiyuedaotian.com) in accordance with the Listing Rules.

3. Any Shareholders 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 of the Company. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each proxy is so appointed.

4. Shareholders shall appoint their proxies in writing. The proxy form shall be signed by the Shareholder or his/her/its attorney who has been duly authorized in writing. If the Shareholder is a corporation, the proxy form shall be affixed with the corporation's seal or signed by its Director, or its attorney duly authorized in writing. If the proxy form is signed by the attorney of the Shareholder, the power of attorney or other authorization document shall be notarized. The aforementioned documents must be lodged with the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time appointed for holding the EGM (i.e. 10:00 a.m. on Monday, December 15, 2025 (Hong Kong time)) or any adjournment thereof in order for such documents to be valid. Completion and delivery of the proxy form shall not preclude a Shareholder of the Company from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

5. Shareholders are required to produce proof of identity when attending the EGM.

6. If a Shareholder appoints a proxy to attend the EGM, the proxy must present his/her identification documents and a power of attorney or other document signed by the appointor or his/her legal representative with the date of issuance. If a corporate Shareholder is represented at the EGM by a proxy, the proxy must present proof of identity and a notarized copy of the resolution passed by the Board or other authority or a notarized copy of the authorization issued by the corporate Shareholder.

7. The EGM is expected to last for half a day. Shareholders attending (in person or by proxy) the EGM shall be responsible for their own traveling, accommodation and other expenses.

8. The contact details of the Company are as follows:

Address: Shiyue Daotian Group Co., Ltd.
2/F, Building A, Yisha Wenxin Plaza,
Chaoyang District, Beijing, the PRC
Liaison: Ms. Chen Hua
Email: chenhua@shiyuedaotian.com

9. Details of the aforesaid resolution to be proposed at the EGM are set out in the circular of the Company dated November 27, 2025.