Jiangsu New Vision Automotive Electronics Co., Ltd.
Terms of Reference of the Audit Committee under the Board of Directors

CHAPTER 1 GENERAL PROVISIONS

Article 1 To improve the decision-making procedures of the Board of Directors (the "Board") of Jiangsu New Vision Automotive Electronics Co., Ltd. (hereinafter referred to as the "Company"), strengthen the effective supervision of the Board over the management, enhance the Company's corporate governance structure, and fully protect the lawful rights and interests of the Company and its shareholders, the Company has established the Audit Committee of the Board (hereinafter referred to as the "Audit Committee") and formulated the Rules in accordance with the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), Appendix C1 to the Hong Kong Listing Rules (hereinafter referred to as the "Corporate Governance Code"), the Articles of Association of Jiangsu New Vision Automotive Electronics Co., Ltd. (Draft) (hereinafter referred to as the "Articles of Association"), and other relevant laws and regulations.

Article 2 As a specialized committee under the Board, the Audit Committee is accountable to the Board and reports its work to the Board.

Article 3 The Audit Committee shall be primarily responsible for reviewing the Company's financial information and its disclosure, supervising and assessing both internal and external audits and internal control.

CHAPTER 2 COMPOSITION OF THE AUDIT COMMITTEE

Article 4 The Audit Committee shall consist of at least three directors, all of whom shall be non-executive directors who do not hold senior management positions in the Company. Independent non-executive directors shall constitute the majority of members of the Committee. The members of the Audit Committee shall possess the professional knowledge in finance, law or other relevant fields, as well as commercial experience appropriate to their responsibilities. Moreover, at least one of the independent non-executive directors shall possess the appropriate professional qualifications as stipulated in the Hong Kong Listing Rules, or have appropriate accounting or related financial management expertise.

The Board shall periodically evaluate the independence and performance of members of the Audit Committee, and replace those unfit to remain in their positions when necessary.

Article 5 Members of the Audit Committee shall be nominated by the chairman of the Board, or by a majority of the independent non-executive directors, or by more than one-third of all directors, or by the Nomination Committee, and shall be elected by a majority vote of the Board.

Article 6 The Audit Committee shall have one chairperson, who shall be an independent non-executive director possessing appropriate professional qualifications or appropriate accounting or related financial accounting expertise. The candidate for chairperson shall be nominated by the chairman of the Board and shall be considered and approved by the Board and appointed by the Board, and shall exercise the following powers and duties:

(I) presiding over the work of the Audit Committee;

(II) convening and presiding over regular and extraordinary meetings of the Audit Committee;

(III) supervising and inspecting the implementation of the resolutions of the Audit Committee;

(IV) signing important documents of the Audit Committee;

(V) reporting regularly to the Board on its work;

(VI) attending annual shareholders' meetings of the Company and answering questions raised by shareholders in relation to the duties of the Audit Committee. If the chairperson of the Audit Committee cannot attend the annual shareholders' meeting, another member or an appropriately appointed representative shall attend the meeting on his/her behalf; and

(VII) other powers and duties stipulated by laws, regulations, normative documents, the Hong Kong Listing Rules, requirements of securities regulatory authorities of Hong Kong and the Articles of Association, and granted by the Board.

Article 7 The term of office of the Audit Committee shall align with that of the corresponding session of the Board. The term of office of members of the Audit Committee shall be the same as that of the directors. Members may be re-elected upon expiration of their terms and may serve consecutive terms.

If during the term a member resigns or otherwise ceases to serve as a director of the Company, or becomes unsuitable to continue serving as a member of the Committee (for example, a member who is required to be an independent non-executive director no longer satisfies the independence requirements under the Hong Kong Listing Rules), he/she shall automatically cease to be a member of the Committee, and the Board shall fill the vacancy in accordance with the Articles of Association and the Rules.

If a member of the Audit Committee submits a resignation to the Board prior to the expiration of his/her term of office, the resignation report shall include a necessary explanation of the reasons for resignation and any matters requiring the attention of the Board. When the number of members of the Audit Committee falls below the minimum required by the Rules, the departing member shall continue to fulfill his/her relevant duties until a successor appointed by the Board has assumed office.

If during the term a member ceases to serve as a director of the Company, or a member who is required to be an independent non-executive director no longer satisfies the independence requirements under the Hong Kong Listing Rules, he/she shall automatically cease to be a member of the Committee, and the Board shall fill the vacancy in accordance with Articles 4 to 6.

Where the composition of the Audit Committee fails to meet the requirements of the Rules, the Board shall immediately notify The Stock Exchange of Hong Kong Limited (hereinafter referred to as "Hong Kong Stock Exchange"), and disclose by way of announcement, in accordance with the Hong Kong Listing Rules, the details and reasons for failing to comply with the relevant requirements, and shall, within three months from the date of such non-compliance, fill the vacancy in accordance with the Rules. The term of office of any newly appointed member shall expire at the same time as his/her term of office as a director.

Before the number of members of the Audit Committee reaches the number specified in Article 4 of the Rules, the Committee shall suspend the exercise of the powers stipulated in the Rules, and the Board shall exercise such powers.

Where changes in the members of the Audit Committee involve changes in the directors of the Company, such changes shall be submitted to the shareholders' meeting for approval in accordance with the procedures stipulated in the Articles of Association and shall be announced in accordance with the regulatory requirements of the place where the Company's shares are listed.

Article 8 Members of the Audit Committee may concurrently serve on other specialized committees of the Board, provided that they have sufficient ability to perform their duties.

Article 9 The Audit Committee shall establish a working group composed of the secretary to the Board and relevant personnel from the Board Office, and the internal audit department. The secretary to the Board shall be responsible for daily coordination and meeting organization of the Audit Committee. The internal audit department of the Company also serves as the working body for the Audit Committee and undertakes specific tasks, including daily coordination and the implementation of matters under review.

Article 10 Within two years from the later of the following dates, a former partner of the accounting firm currently responsible for auditing the Company's accounts shall not serve as a member of the Company's Audit Committee:

(I) the date the former partner ceased to be a partner of the accounting firm; or

(II) the date the former partner ceased to have any financial interest in the accounting firm.

CHAPTER 3 DUTIES AND POWERS OF THE AUDIT COMMITTEE

Article 11 The Audit Committee shall, on behalf of the Board, independently evaluate and oversee the compliance, legality and effectiveness of the Company's economic activities, and primarily exercise the following functions and powers:

(I) To provide advice to the Board regarding the appointment, reappointment, replacement and removal of the external audit institution, approve the external audit institution's remuneration and engagement terms, and address any issues relating to the resignation or dismissal of such audit institution;

(II) To review and monitor whether the external audit institution is independent and objective, and whether the audit procedures are effective in accordance with applicable standards; prior to the commencement of the audit work, to discuss with the audit institution on the audit nature, scope and method, and the relevant reporting responsibilities;

(III) To establish and implement the policies regarding the provision of non-audit services by the external audit institutions. For the purpose of this provision, "external audit institutions" include any entity under the same control, ownership, or management as the auditing firm, or any other entity that a reasonable third party, fully aware of all relevant information, would reasonably determine to be part of the domestic or international operations of the firm conducting the audit. The Audit Committee shall report to the Board and make recommendations on any matters requiring action or improvement;

(IV) To monitor the completeness of the Company's financial statements, annual reports and accounts, semi-annual reports and quarterly reports (if any), and review significant opinions on financial reporting contained in the statements and reports, with particular attention to the possibility of fraud, misconduct, and material misstatements related to the financial statements and reports. When reviewing the Company's annual reports and accounts, semi-annual reports and quarterly reports before submitting them to the Board, the Audit Committee shall specifically review the following matters:

1. Any changes in accounting policies and practices;

2. Matters involving significant judgment;

3. Material adjustments arising from the audit;

4. The assumption of the Company's going concern and any qualified opinions;

5. Compliance with accounting standards; and

6. Compliance with the Hong Kong Listing Rules and other laws regarding financial reporting;

(V) For the purpose of paragraph (IV) in this article:

1. The members of the Audit Committee shall liaise with the Board and senior management members of the Company. The Audit Committee shall meet with the Company's audit institution at least twice annually; and

2. The Audit Committee shall consider any significant or unusual matters reflected or to be reflected in such reports and accounts, and shall give due consideration to any matters raised by the Company's accounting and financial reporting staff, the compliance inspection personnel or audit institution;

(VI) To oversee the Company's financial controls, risk management and internal control systems;

(VII) To discuss risk management and internal control systems with the management to ensure that the management has fulfilled its responsibilities in establishing effective systems. The discussion should include an assessment of whether the Company has sufficient resources, qualified personnel, and experience in accounting and financial reporting functions, as well as whether adequate training programs and budget allocations are in place;

(VIII) To review, proactively or upon the Board's appointment, significant findings from investigations relating to risk management and internal controls, and evaluate the management's responses thereto;

(IX) To oversee and discuss with the management the Company's internal audit system; ensure that the internal audit system is adequately resourced and has appropriate status within the Company; and review and monitor the effectiveness of the internal audit system;

(X) To promote communication between the internal audit department and the external audit institution to ensure coordination of work performed by the internal and external audit institutions; ensure that the internal audit function is adequately resourced and has appropriate status within the Company; and review and monitor its performance;

(XI) To review the Company's financial and accounting policies and practices;

(XII) To review the Management Letter issued by the external audit institution, any major concerns raised by the audit institution regarding accounting records, financial accounts, or monitoring systems, and the management's responses thereto;

(XIII) To ensure that the Board timely responds to matters raised in the Management Letter issued by the external audit institution;

(XIV) To report to the Board regarding matters set out in the Rules;

(XV) To study other topics defined by the Board;

(XVI) To monitor the following arrangements established by the Company: the Company's employees may raise concerns under confidential circumstances regarding potential misconduct in financial reporting, internal controls, or other matters. The Audit Committee shall ensure that appropriate arrangements are in place for the Company to conduct fair and independent investigations into such matters and to take appropriate actions;

(XVII) To serve as the primary representative between the Company and the external audit institution, responsible for overseeing the relationship between them;

(XVIII) To review the Company's risk management strategies and major risk management solutions;

(XIX) To be responsible for assessing and determining the Company's risks relating to environment, social and governance (ESG) matters, and ensure the establishment of appropriate and effective ESG risk and internal control systems by the Company;

(XX) To review the Company's internal annual audit work plan and coordinate with the external audit institution to determine the schedule for audit work of the annual financial report;

(XXI) To handle conflicts of interest between the Company's directors, supervisors, senior management members and the Company;

(XXII) To be responsible for the control and daily management of the Company's connected transactions, and determine and update the list of connected persons of the Company;

(XXIII) To review and evaluate significant connected transactions, be responsible for the overall approval of connected transactions and regular reviews of the Company's overall connected transactions. This includes verifying the decision-making and implementation of all the connected transactions of the Company within ten days after the end of each half-year, reviewing the overall connected transactions of the entire Company within thirty days after the end of each half-year, and reporting the review opinions to the Board and Board of Supervisors upon formation of the opinions;

(XXIV) To propose changes to accounting policies or accounting estimates, or correction of material accounting errors, except where such changes are due to modifications in accounting standards;

(XXV) To propose the appointment or replacement of the Company's chief financial officer;

(XXVI) To nominate the head of the Company's audit department to the Board; and

(XXVII) other matters stipulated by laws, regulations, normative documents, the Hong Kong Listing Rules, requirements of securities regulatory authorities of Hong Kong and the Articles of Association, and authorized by the Board.

Article 12 When guiding and supervising the work of the internal audit department, the Audit Committee shall perform the following primary responsibilities:

(I) To guide and supervise the establishment and implementation of the internal audit system;

(II) To hold a meeting at least once a quarter to review the work plans and reports submitted by the internal audit department;

(III) To report to the Board at least once every quarter, covering the progress and quality of internal audit work, and significant issues identified; and

(IV) To coordinate relationships between the internal audit department and external audit firms such as accounting firms.

Article 13 The Audit Committee shall establish the following procedures to review and oversee the independence of the external audit institution:

(I) To investigate all relationships between the Company and the audit institution (including the provision of non-audit services);

(II) To annually request information from the audit institution to understand the policies and procedures adopted by the audit institution to maintain its independence and monitor compliance with relevant regulations; the relevant regulations include current provisions regarding the replacement of the partners and staff of the audit institution; and

(III) To meet with the external audit institution at least once a year without the presence of the Company's management to discuss matters related to audit fees, any issues arising from the audit work, and other matters raised by the audit institution.

Article 14 The Audit Committee shall vote on the annual financial accounting report during its meetings. After a resolution is formed, it shall be submitted to the Board for review. Moreover, the Audit Committee shall present to the Board a summary report of the accounting firm's audit work for the Company during the current year, as well as a resolution regarding whether to reappoint or replace the accounting firm for the next year.

Article 15 The Audit Committee shall be accountable to the Board, and proposals of the Audit Committee shall be submitted to the Board for deliberation and decision, unless otherwise authorized by the Board.

The Audit Committee shall collaborate with the Board of Supervisors in its audit activities.

Article 16 Where the internal audit department discovers significant deficiencies or major risks in internal control during the review process, it shall promptly report them to the Audit Committee. If the Audit Committee identifies significant deficiencies or major risks in the Company's internal control, the Board shall promptly report them to the regulatory authorities.

After the Company's initial public offering of H shares and their listing and trading on the Hong Kong Stock Exchange, in the case of circumstances described in paragraph 1 of this article, the Company shall disclose in a public announcement the significant deficiencies or major risks in internal control, the actual or potential consequences thereof, and the measures that have been or will be taken.

Article 17 The Company shall provide funds and other resources necessary for the Audit Committee to perform its duties, which shall be used to cover:

(I) Rewards for the external audit institution's provision of financial auditing, review, verification, or other related services;

(II) All costs associated with the Audit Committee's engagement of external professional consultants;

(III) Necessary or appropriate administrative expenses incurred by the Audit Committee in the performance of its duties.

Article 18 When carrying out the responsibilities outlined in Article 12 of the Rules, the Audit Committee is not obligated to plan or execute audit activities, or ensure the completeness and accuracy of the Company's financial reports or prepare such reports. The management of the Company is responsible for the preparation of the Company's financial reports, while the accounting firm is responsible for the audit of the financial reports.

Article 19 The duties of the Audit Committee in evaluating the effectiveness of the internal control shall include the following aspects:

(I) To assess the appropriateness of the design of the Company's internal control system;

(II) To review the internal control self-assessment report;

(III) To review the internal control audit report issued by the external audit institution, and communicate with the external audit institution regarding the identified issues and improvement measures;

(IV) To evaluate the results of internal control assessments and audits, and supervise the rectification of internal control deficiencies;

(V) To assess the Company's financial monitoring and risk management systems;

(VI) To discuss the risk management and internal monitoring systems with the management, and ensure that the management has fulfilled its responsibilities in establishing effective systems;

(VII) To review, proactively or upon the Board's appointment, significant findings from investigations relating to risk management and internal controls, and evaluate the management's responses thereto;

(VIII) To examine the Management Letter issued by the external audit institution, any major concerns raised by the external audit institution regarding accounting records, financial accounts, or monitoring systems, and the management's responses thereto, and ensure that the Board promptly addresses matters raised in the Management Letter;

(IX) To ensure that the Company has established appropriate channels enabling employees to confidentially report or raise concerns about potential improper conduct relating to financial reporting, internal controls, or other matters, and periodically review relevant arrangements to ensure fair and independent investigations are conducted and appropriate actions are taken by the Company for such matters.

Article 20 The Audit Committee shall make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the website of the Hong Kong Stock Exchange and the official website of the Company.

Article 21 The Audit Committee shall report to the Board on measures it considers necessary to take or matters for improvement, as well as on matters set out in the Corporate Governance Code (and its provisions as amended from time to time), make recommendations, and study other topics as defined by the Board.

Article 22 When the Company engages or replaces an external auditor, the Audit Committee must form a review opinion and make a recommendation to the Board before the Board can consider the relevant proposal.

CHAPTER 4 MEETINGS OF THE AUDIT COMMITTEE

Article 23 The working group of the Audit Committee is responsible for preparing preliminary materials to facilitate the Audit Committee's decision-making and providing written materials related to the meeting agenda.

Article 24 The working group of the Audit Committee is responsible for providing the following written materials to the Audit Committee for its decision-making:

(I) The annual audit work plan;

(II) Relevant financial reports of the Company;

(III) Work reports from the Company's internal audit institution;

(IV) The external audit contract and related work reports;

(V) Information on the Company's external disclosures;

(VI) Audit results of the Company's major connected transactions; and

(VII) Other materials relevant to the Audit Committee's performance of its duties.

Article 25 The Audit Committee convenes meetings based on the materials provided by its working group, conducts discussions, and submits the outcomes of these discussions to the Board. These outcomes include:

(I) Evaluation of the external auditor's work, and the engagement or change of the external auditor;

(II) Whether the Company's internal audit system has been effectively implemented, and whether the Company's financial reports are complete and truthful;

(III) Whether information such as financial reports disclosed externally by the Company is objective and truthful, and whether major connected transactions, usage of raised funds, significant investments, and external guarantees comply with relevant laws and regulations;

(IV) Evaluation of the work of the Company's finance department and internal audit department, including their heads; and

(V) Other related matters.

Article 26 Meetings of the Audit Committee shall be divided into regular meetings and extraordinary meetings.

The Audit Committee shall hold at least two regular meetings each year, one of which shall be convened prior to the Board's annual review of the annual report.

An extraordinary meeting may be convened when the Board considers it necessary, or upon the proposal of two or more members or the chairperson of the Audit Committee. An external auditor may request the convening of an extraordinary meeting if it deems it necessary.

Article 27 Notice of a meeting, including the time and place of the meeting, the method of convening, the reasons and agenda and the convener and the presider, along with the relevant materials, shall be given to all members and relevant persons invited to be present as non-voting participants by telephone, mail, email or facsimile at least five working days (excluding the day of notification, but including the day of the meeting itself) prior to the meeting.

In emergency situations, the convening of an extraordinary meeting shall not be subject to the aforementioned notice period, provided that the presider of the meeting provides an explanation during the meeting.

Article 28 Meetings of the Audit Committee shall be presided over by the chairperson. Where the chairperson is unable to attend, he/she may appoint another member (who must be an independent non-executive director) to preside over the meeting. If the chairperson fails to perform his/her duties and does not designate another member to perform such duties, any member may report the relevant circumstances to the Board, which shall designate a member (who is an independent non-executive director) to perform the duties of the chairperson.

Article 29 A meeting of the Audit Committee shall be held only when more than two-thirds of the members are present.

Members of the Audit Committee shall attend meetings in person or participate by means of telephone conference or similar communication equipment. Where a member is unable to attend a meeting in person for any reason, he/she may authorize another member in writing to attend the meeting on his/her behalf, and the written authorization shall specify the scope and term of authorization. Moreover, no member may accept entrustment from more than two other members at the same time. If a member fails to attend a meeting of the Audit Committee in person or by proxy, the said member shall be deemed as having waived his/her right to vote at the meeting. If any member of the Audit Committee fails to attend meetings of the Audit Committee in person or by proxy for two consecutive times, the said member shall be deemed incapable of performing his/her duties, and the Audit Committee shall suggest that the Board replace the said member.

The members present at the meeting shall consider the proposals and fully express their opinions with a conscientious and responsible attitude. Any disagreement shall be recorded in the meeting minutes submitted to the Board.

Article 30 When the Audit Committee holds a meeting, it may invite directors, supervisors and senior management members of the Company to attend the meeting as non-voting participants as necessary.

Article 31 When the Audit Committee holds a meeting, it may, as necessary, engage relevant intermediary institutions to provide professional advice for its decision-making. Where necessary, such intermediary institutions may also attend the meeting. Relevant intermediary institutions shall enter into confidentiality agreements with the Company. Reasonable expenses incurred in engaging intermediary institutions shall be borne by the Company.

Article 32 For meetings of the Audit Committee held on site, voting shall be conducted by a show of hands or by ballot.

Meetings of the Audit Committee may also be held by way of written resolutions. Written resolutions shall be delivered to all members by facsimile, express delivery or by hand. After voting on the resolutions, members shall return the original documents to the Company for filing. If the number of members who sign and agree meets the quorum required under the Rules of Procedure, the written resolution shall constitute a valid resolution of the Committee.

Each committee member shall have one vote. Resolutions of the meeting must be passed by more than half of all members.

Article 33 Proposals approved and voting results at meetings of the Audit Committee shall be reported to the Board in written form.

Article 34 Members of the working group of the Audit Committee may attend meetings of the Audit Committee as non-voting participants. When necessary, representatives of the external auditor, other directors, supervisors, senior management, financial personnel, legal counsel, and other relevant individuals may also be invited to attend as non-voting participants and provide necessary information. Non-members of the Audit Committee do not have the right to vote on meeting proposals.

Article 35 Members attending the meeting and other attendees shall have confidentiality obligations with respect to matters discussed at the meeting and shall not disclose relevant information without authorization.

Article 36 The meetings of the Audit Committee shall have complete minutes. Within a reasonable period after the meeting concludes, both a draft and the final version of the meeting minutes shall be sent to all members. The draft is for directors to express their opinions, and the final version serves as the official record. Members attending the meeting shall sign the meeting minutes. Where any member cannot sign the resolutions from a teleconference or video conference in real time, he/she may first express his/her opinions orally and provide his/her written signature to that effect as soon as possible, provided that there is no discrepancy between the opinions expressed orally during the meeting and those later signed in writing. The minutes of the meeting shall be kept by the Company's secretary of the Board. Upon reasonable notice from any director, the relevant meeting minutes shall be made available for their inspection at any reasonable time.

The minutes of meetings of the Audit Committee shall be prepared by staff of the Board office designated by the chairman of the Audit Committee. A draft of the minutes shall be provided to all members for review as soon as possible, and members shall submit written comments for revision. The final version of the minutes shall be completed within a reasonable time after the meeting and circulated to all members for record.

The minutes of the meeting shall at least specify:

(I) meeting number, convening method, date, venue, and name of the presider;

(II) attendance in person and by proxy as well as absences;

(III) names and positions of non-voting participants;

(IV) agenda items of the meeting;

(V) key points of remarks made by the members and relevant non-voting participants;

(VI) name of the minute-taker; and

(VII) where applicable, the recusal of members with conflicts of interest from voting shall be noted in the meeting minutes or resolutions.

CHAPTER 5 RECUSAL SYSTEM

Article 37 Where a member of the Audit Committee or his/her associate (as defined in the Hong Kong Listing Rules), or an enterprise controlled by such member or his/her associate, has a direct or indirect interest in any matter under discussion at a meeting, the member shall promptly disclose to the Audit Committee the nature and extent of such interest.

Article 38 Where the circumstances described in the preceding paragraph occur, the interested member shall explain the relevant circumstances in detail at the meeting of the Audit Committee and expressly state that he/she will abstain from voting. However, if the other members of the Audit Committee unanimously determine after discussion that such interest will not have a significant impact on the voting matter, the interested member may participate in the voting. If the Board considers it inappropriate for the interested member referred to in the preceding paragraph to participate in voting, the Board may revoke the voting result of the relevant proposal and require the members without interests to vote again on the relevant proposal.

Article 39 The Audit Committee shall deliberate and adopt resolutions on proposals without counting the interested member in the quorum. If, after the interested member has abstained, the Audit Committee no longer meets the minimum quorum required for a meeting, all members (including the interested member) shall make a resolution on procedural matters such as submitting the relevant proposal to the Board for consideration, and the Board shall deliberate on the proposal.

Article 40 The meeting minutes and resolutions of the Audit Committee shall record that the interested member was not counted in the quorum and did not participate in the voting.

CHAPTER 6 PROCEDURES FOR ANNUAL REPORT WORK

Article 41 The Audit Committee shall negotiate with the accounting firm to determine the timing for the audit work of the current year's financial report; it shall urge the accounting firm to submit the audit report within the agreed timeframe, and record the method, frequency, and results of such urging, as well as confirmation by the signature of the responsible person, in the form of a written opinion.

Article 42 Before the appointment of the auditor in charge of the annual audit, the Audit Committee shall review the financial statements and reports prepared by the Company and form a written opinion; after the auditor in charge of the annual audit commences work, the Audit Committee shall strengthen communication with them, and after the auditor in charge of annual audit issues a preliminary audit opinion, it shall review the Company's financial statements and reports again and form a written opinion.

Article 43 When disclosing the annual report, the Company shall simultaneously disclose the performance of duties by the Audit Committee for the year. This mainly includes information on the performance of its duties when reviewing quarterly (if applicable), half-yearly, and annual results, the convening of Audit Committee meetings, reporting on its review of risk management and internal control systems, the effectiveness of the issuer's internal audit function, and other responsibilities stipulated in the Corporate Governance Code. Details of any non-compliance with Rule 3.21 of the Listing Rules (if any), and an explanation of the remedial measures taken by the issuer to address the non-compliance regarding the establishment of an audit committee.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 44 For the purposes of the Rules of Procedure, "directors" refer to all members of the Board; "senior management members" refer to the general manager, deputy general managers, chief financial officer and secretary of the Board appointed by the Board and other senior management members specified in the Articles of Association.

Article 45 Any matters not covered in the Rules of Procedure shall be governed by the relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, the regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 46 The Rules shall be considered and approved by the Board and shall come into effect and be implemented from the date on which the Company's H Shares are initially publicly offered and listed and traded on the Hong Kong Stock Exchange. Any amendments shall likewise be subject to approval by the Board. Where the Rules conflict with laws, regulations, normative documents or the regulatory rules of the place where the Company's shares are listed promulgated in the future, the newly promulgated laws, regulations and normative documents shall prevail before the Rules are amended.

Article 47 The right to interpret the Rules of Procedure belongs to the Board.

Article 48 In the event that both Chinese and English versions of the Rules exist, the Chinese version shall prevail in case of any discrepancy between the two versions.