

NEXCHIP SEMICONDUCTOR CORPORATION
合肥晶合集成電路股份有限公司

ARTICLES OF ASSOCIATION

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Chapter 1 General Provisions

Article 1 To safeguard the lawful rights and interests of Nexchip Semiconductor Corporation (hereinafter referred to as the “Company”), its Shareholders, employees, and creditors, and to regulate the organization and conduct of the Company, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the 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, administrative regulations, departmental rules, and normative documents.

Article 2 The Company is a joint stock limited company established in accordance with the provisions of the Company Law and other relevant laws, administrative regulations, departmental rules, and normative documents. The Company was converted into a joint stock limited company as a whole from its predecessor, Nexchip Semiconductor Limited (合肥晶合集成电路有限公司) (hereinafter referred to as the “Limited Liability Company”), inheriting all of its assets, liabilities, and business operations of the predecessor Limited Liability Company. All Shareholders of the Limited Liability Company are the promoters of the Company. The Company is registered with the Market Supervision Administration of Xinzhan District, Hefei, and has obtained the business license with the Unified Social Credit Code of 91340100343821433Q.

Article 3 The Company was registered with the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) on May 9, 2022 to initially issued 501,533,789 RMB ordinary Shares to the public, which were listed on the STAR Market of the Shanghai Stock Exchange (hereinafter referred to as the “Stock Exchange”) on May 5, 2023.

The Company submitted a filing to the CSRC on May 19, 2026, and was approved by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) to conduct an initial public offering of 216,167,000 overseas listed foreign Shares (hereinafter referred to as the “H Shares”) and an over-allotment of 10,886,900 H Shares was made, which were listed on the Main Board of the Hong Kong Stock Exchange on July 10, 2026 and August 11, 2026, respectively.

Shares issued by the Company and listed on the Shanghai Stock Exchange are hereinafter referred to as “A Shares”. Shares issued by the Company and listed on the Main Board of the Hong Kong Stock Exchange are hereinafter referred to as “H Shares”.

Article 4 Registered name of the Company: 合肥晶合集成电路股份有限公司

English name of the Company: Nexchip Semiconductor Corporation

Article 5 Domicile address of the Company: No. 88 Xifeihe Road, Hefei Comprehensive Bonded Zone, Xinzhan District, Hefei, Anhui Province

Article 6 The Company’s registered capital is RMB2,234,787,210, and the total number of Shares is 2,234,787,210, all of which are ordinary Shares.

Article 7 The Company is a perpetual joint stock limited company.

Article 8 The chairman of the Board of Directors is the legal representative of the Company, and the appointment and change thereof are conducted in accordance with the relevant provisions of these Articles.

The resignation of the chairman of the Board of Directors is deemed as the simultaneous resignation of the legal representative. The Company shall appoint a new legal representative within thirty days from the date of the resignation of the legal representative.

The legal consequences of civil activities performed by the legal representative in the name of the Company are borne by the Company. Any restrictions on the powers of the legal representative imposed by these Articles or by the general meeting may not be contested against a bona fide counterparty.

If the legal representative causes harm to others while performing his/her duties, the Company shall bear civil liability. After the Company bears such civil liability, it may seek recourse from the legal representative at fault in accordance with the laws or the provisions of these Articles.

Article 9 All assets of the Company are divided into Shares of equal value. The liability of the shareholders is limited to the amount of their subscribed share capital, and the Company is liable for its obligations to the full extent of its assets.

Article 10 From the effective date of these Articles, these Articles become a legally binding document which regulates the Company's organization and acts, the rights and obligations between the Company and its Shareholders, and amongst the Shareholders, and is legally binding on the Company, its Shareholders, Directors and senior management. According to these Articles, a Shareholder may sue another Shareholder, any Director or senior management of the Company, or the Company. The Company may sue any of its Shareholders, Directors and senior management members.

Article 11 The term "senior management" as used in these Articles refers to the general manager (president), co-general manager (co-chief executive officer), executive vice president/senior vice president/vice president, Board secretary, and the chief financial officer of the Company.

Article 12 In accordance with the Constitution of the Communist Party of China (hereinafter referred to as the "Party Constitution") and the requirements of the higher-level Party organization, a Party organization shall be established within the Company. The Party organization shall play a core political leadership role within the Company. The activities of the Company's Party organization shall be conducted in accordance with the Party Constitution and relevant policies.

Chapter 2 Corporate Objective and Scope of Business

Article 13 The corporate objective of the Company is to carry out operations within its scope of business by utilizing advanced and practical technologies and scientific management methods, with the objective of generating satisfactory economic returns for all Shareholders.

Article 14 The Company's scope of business covers: manufacturing of integrated circuit chips and products; sales of integrated circuit chips and products; integrated circuit chip design and services; technical services, technology development, technical consultation, technical exchange, technology transfer, and technology promotion (except for licensed businesses, the Company may independently and lawfully carry out business activities that are not prohibited or restricted by laws and regulations).

The Company's business scope is subject to the verification and approval of the Company's registration authority.

Chapter 3 Shares

Section 1 Issuance of Shares

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

If the share capital comprises Shares with different voting rights, the designation of each class of Shares (except Shares with the most favorable voting rights) must include the words "restricted voting" or "limited voting."

Article 16 The Shares of the Company are issued based on the principles of openness, fairness and justice. Shares of the same class carry equal rights.

Article 17 For the same class of shares of the same issuance, each share is issued at the same conditions and price. The price paid by any subscriber for each share of the same class during the same share issue is the same.

Article 18 Shares with par value issued by the Company have their par value denominated in Renminbi.

Article 19 The A Shares issued by the Company are deposited with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on a collective base. The H Shares issued by the Company may be deposited, in accordance with the laws of the place of listing and the customary practices of securities depositories, primarily with the nominee company of Hong Kong Securities Clearing Company Limited, or may be held by Shareholders in their own names.

Article 20 All Shares of the Company are ordinary Shares with par value of RMB1 each, including 2,007,733,310 ordinary A Shares and 227,053,900 ordinary H Shares. At the time when the Company was established through the conversion of a limited liability company as a whole, the total number of Shares issued was 1,504,601,368 Shares. The promoters subscribed for these Shares by capitalizing their contributions in proportion to their respective equity interests in the form of conversion of net assets into Shares. The shareholdings are as follows:

No.	Promoter	Number of Shares subscribed for (shares)	Contribution method	Shareholding percentage (%)	Contribution date
1	Hefei Construction Investment Holding (Group) Co., Ltd.	468,474,592	Conversion of net assets into shares	31.1362	September 30, 2020
2	Hefei Xinping Industrial Investment Fund (Limited Partnership)	328,736,799	Conversion of net assets into shares	21.8488	September 30, 2020
3	Powerchip Technology Corporation	412,824,208	Conversion of net assets into shares	27.4374	September 30, 2020
4	Hefei Jingduan Enterprise Management Partnership (Limited Partnership)	5,195,398	Conversion of net assets into shares	0.3453	September 30, 2020
5	Hefei Jingka Enterprise Management Partnership (Limited Partnership)	1,456,606	Conversion of net assets into shares	0.0968	September 30, 2020
6	Hefei Jingjue Enterprise Management Partnership (Limited Partnership)	1,262,054	Conversion of net assets into shares	0.0839	September 30, 2020
7	Hefei Jingken Enterprise Management Partnership (Limited Partnership)	852,648	Conversion of net assets into shares	0.0567	September 30, 2020
8	Hefei Jingliao Enterprise Management Partnership (Limited Partnership)	497,378	Conversion of net assets into shares	0.0331	September 30, 2020
9	Hefei Jingshao Enterprise Management Partnership (Limited Partnership)	1,174,082	Conversion of net assets into shares	0.0780	September 30, 2020
10	Hefei Jingrou Enterprise Management Partnership (Limited Partnership)	862,798	Conversion of net assets into shares	0.0573	September 30, 2020

No.	Promoter	Number of Shares subscribed for (shares)	Contribution method	Shareholding percentage (%)	Contribution date
11	Hefei Jingjiong Enterprise Management Partnership (Limited Partnership)	3,813,060	Conversion of net assets into shares	0.2534	September 30, 2020
12	Hefei Jingxiong Enterprise Management Partnership (Limited Partnership)	253,764	Conversion of net assets into shares	0.0169	September 30, 2020
13	Hefei Jingben Enterprise Management Partnership (Limited Partnership)	779,902	Conversion of net assets into shares	0.0518	September 30, 2020
14	Hefei Jingluo Enterprise Management Partnership (Limited Partnership)	581,966	Conversion of net assets into shares	0.0387	September 30, 2020
15	Hefei Jingque Enterprise Management Partnership (Limited Partnership)	414,481	Conversion of net assets into shares	0.0275	September 30, 2020
16	Hefei Jingsui Enterprise Management Partnership (Limited Partnership)	4,197,429	Conversion of net assets into shares	0.2790	September 30, 2020
17	Hefei Jingtie Enterprise Management Partnership (Limited Partnership)	414,481	Conversion of net assets into shares	0.0275	September 30, 2020
18	Hefei Jingtuo Enterprise Management Partnership (Limited Partnership)	406,023	Conversion of net assets into shares	0.0270	September 30, 2020
19	Midea Innovation Investment Co., Ltd.	88,014,118	Conversion of net assets into shares	5.8498	September 30, 2020
20	Hefei Zhong'an Zhixin Equity Investment Partnership (Limited Partnership)	39,606,354	Conversion of net assets into shares	2.6323	September 30, 2020
21	Shenzhen Huiyou Haochuang Technology Investment Partnership (Limited Partnership)	26,404,236	Conversion of net assets into shares	1.7549	September 30, 2020

No.	Promoter	Number of Shares subscribed for (shares)	Contribution method	Shareholding percentage (%)	Contribution date
22	Hefei Cunxin Integrated Circuit Investment Partnership (Limited Partnership)	26,404,236	Conversion of net assets into shares	1.7549	September 30, 2020
23	Haitong Innovation Securities Investment Co., Ltd.	17,602,824	Conversion of net assets into shares	1.1699	September 30, 2020
24	Hangzhou Chengfu Investment Management Partnership (Limited Partnership)	15,402,471	Conversion of net assets into shares	1.0237	September 30, 2020
25	Luzhou Longxin Investment Partnership (Limited Partnership)	13,202,118	Conversion of net assets into shares	0.8774	September 30, 2020
26	Ningbo Huachun Investment Management Partnership (Limited Partnership)	13,202,118	Conversion of net assets into shares	0.8774	September 30, 2020
27	SME Development Fund (Shenzhen Nanshan Limited Partnership)	13,202,118	Conversion of net assets into shares	0.8774	September 30, 2020
28	Anhui Anhua Innovation Venture Capital Fund Co., Ltd.	8,801,412	Conversion of net assets into shares	0.5850	September 30, 2020
29	Beijing IC Northern Technology Co., Ltd.	8,801,412	Conversion of net assets into shares	0.5850	September 30, 2020
30	CICC Pucheng Investment Co., Ltd.	1,760,282	Conversion of net assets into shares	0.1170	September 30, 2020
Total		1,504,601,368	–	100.00	

Article 21 The Company or subsidiaries of the Company (including the affiliated enterprises of the Company) may not provide any financial assistance, in the form of gifts, advances, guarantees, compensation, or loans, to any person purchasing or intending to purchase Shares of the Company.

Section 2 Increase, Reduction and Repurchase of Shares

Article 22 Subject to a resolution by the general meeting, the Company may increase its capital as required for its operation and development, pursuant to the provisions of the laws, administrative regulations, departmental rules, normative documents, and securities regulatory rules of the place where the Company's Shares are listed. The Company may increase its capital by the following methods:

- (I) public issuance of Shares to unspecified persons;
- (II) non-public issuance of Shares to specified persons;
- (III) distribution of bonus Shares to existing Shareholders;
- (IV) conversion of common reserve fund into capital;
- (V) any other methods approved by the laws, administrative regulations, departmental rules, normative documents, the CSRC, and securities regulatory authorities of the place where the Company's Shares are listed.

Article 23 The Company may reduce its registered capital. If the Company reduces its registered capital, such reduction shall be made in accordance with the requirements of the Company Law, other relevant regulations and these Articles.

Article 24 The Company may not purchase its own Shares except for the circumstances of one of the followings:

- (I) to reduce its registered capital;
- (II) to merge with another company that holds its Shares;
- (III) to use its Shares for an employee stock ownership plan or equity incentive;
- (IV) to purchase Shares from Shareholders who object to a resolution passed by the general meeting regarding a merger or division of the Company and make such request;
- (V) to use Shares for conversion of convertible corporate bonds issued by the Company;
- (VI) necessary for the Company to maintain its company value and protect its Shareholders' interests.

Article 25 The Company may purchase its own Shares through public and centralized trading or by any other means recognized by laws, administrative regulations, the CSRC, and the securities regulatory authorities of the places where the Company's Shares are listed.

Repurchase of Shares by the Company for the circumstances set out in paragraphs (III), (V) and (VI) of Article 24 hereof shall be conducted by way of public and centralized trading.

Article 26 Repurchase of Shares by the Company for the circumstances set out in paragraphs (I) and (II) of Article 24 hereof is subject to a resolution passed at the general meeting; repurchase of Shares by the Company for the circumstances set out in paragraphs (III), (V) or (VI) of Article 24 hereof is subject to a resolution of the Board meeting passed by a two-thirds majority of Directors attending the meeting.

For A Shares, following the repurchase of its Shares in accordance with the provisions of Article 24 hereof, such Shares should be canceled within 10 days from the date of repurchase in the case of paragraph (I); the Shares should be transferred or canceled within six months in the case of paragraphs (II) or (IV); the total number of Shares held by the Company after the repurchase of Shares in the case of paragraphs (III), (V) or (VI) may not exceed 10% of the total number of issued Shares of the Company, and should be transferred or canceled within three years. For H Shares, where the laws, regulations and the securities regulatory rules of the place where the Company's Shares are listed provide otherwise on the matters relevant to the repurchase of the Shares, such provisions prevail.

Where the Company purchases its own Shares, it shall fulfill its information disclosure obligations in accordance with the provisions of the Securities Law, the rules of the stock exchanges where the Company's Shares are listed, and other securities regulatory rules.

Section 3 Transfer and Pledge of Shares

Article 27 The Company's Shares shall be transferred in accordance with the laws.

All transfers of H Shares shall be made by a written instrument of transfer in the usual or common form or in any other form acceptable to the Board of Directors (including the standard form of transfer or instrument of transfer as prescribed by the Hong Kong Stock Exchange form from time to time); and such instrument of transfer may only be executed by manual signature or by affixing the Company's valid seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house (hereinafter referred to as the "Recognized Clearing House") or its agent as defined from time to time by the relevant ordinances in force under the laws of Hong Kong, the instrument of transfer may be executed either by manual signature or by mechanical print. All instruments of transfer shall be kept at the Company's registered office or at such other place as the Board of Directors may from time to time designate.

Article 28 Shares in issue prior to a public offering of A Shares of the Company may not be transferred within one year from the date on which the Company's A Shares are listed and traded on the Stock Exchange. Where the laws, administrative regulations or the securities regulatory authority under the State Council provides otherwise for the transfer of the Company's Shares held by Shareholders or actual controller of the Company, such provisions prevail.

Director and senior management of the Company shall report to the Company the Shares of the Company held by him/her and the changes thereof. During the term of his/her office determined at appointment, the Shares transferred by him/her each year may not exceed 25% of the total number of Shares of the Company that he/she holds. The Shares of the Company held by the aforesaid persons may not be transferred within one year from the date on which the Shares of the Company are listed and traded on a stock exchanges. The aforesaid personnel may not transfer the Shares of the Company that he/she holds within six months after his/her departure.

Article 29 The Company does not accept the Company's Shares as the subject of pledge.

Article 30 If a Shareholder, a Director or senior management of the Company who holds 5% or more of the Shares in the Company sells the Shares of the Company or other securities with an equity nature held by him/her within six months after buying those Shares, or buys the Shares within six months after selling them, all the gains derived thereof shall vest in the Company, and the Board of the Company will recover such gains, except where a securities company holds 5% and more of the Shares in the Company due to purchase of unsold Shares from its underwriting, recognized clearing houses and their agents holding more than 5% of the Shares, or such other circumstance as prescribed by the CSRC. If the laws, regulations and the securities regulatory rules of the place where the Company's Shares are listed provide otherwise, such provisions prevail.

Shares or other securities with an equity nature held by Directors, senior management, natural person shareholders referred to in the preceding paragraph include Shares or other securities with an equity nature held by their spouses, parents, children and under accounts of other persons.

If the Board of Directors of the Company fails to act in accordance with the first paragraph of this Article, Shareholders have the right to demand the Board of Directors to act within 30 days. If the Board of Directors of the Company fails to act within the specified period, Shareholders have the right to directly file a lawsuit with the people's court in their own names for the benefit of the Company.

If the Board of Directors of the Company fails to act in accordance with the first paragraph of this Article, the responsible Directors are jointly and severally liable according to law.

Chapter 4 Shareholders and General Meeting

Section 1 General Provisions for Shareholders

Article 31 The Company shall establish a register of members based on the evidentiary documents provided by its securities registration and clearing house. The register of members is sufficient evidence to prove the Shareholders' holding of our Company's Shares. Shareholders enjoy rights and assume obligations according to the class of shares held by him/her; Shareholders who hold shares of the same class enjoy equal rights and assume equal obligations.

The original register of members of H Shares listed in Hong Kong is maintained in Hong Kong for inspection by Shareholders, subject to closure of the register of members by the Company in accordance with the provisions of the applicable laws, regulations and the securities regulatory rules of the place where the Company's shares are listed. Any Shareholder who is registered in, or any person who requests to have his/her name registered in the register of members of H Shares may, if his/her share certificate is lost, apply to the Company for the issuance of a new share certificate of such Shares. If a shareholder of overseas listed foreign shares loses his/her share certificate and applies for a replacement, the Company may proceed the application in accordance with the laws of the place where the original register of members of overseas listed foreign shares is kept, the rules of securities exchange or other relevant regulations.

The Company shall disclose information about its Shareholders and actual controllers in accordance with the law. Such information must be truthful, accurate, and complete. Holding Shares of the Company on behalf of others in violation of laws and administrative regulations is prohibited.

A controlled subsidiary of the Company may not acquire Shares of the Company. If a controlled subsidiary of the Company holds Shares of the Company due to, among others, company merger or enforcement of a pledge, it may not exercise the voting rights corresponding to the Shares it holds and shall dispose of such Shares in a timely manner.

Article 32 When the Company convenes a general meeting, distributes dividends, conduct liquidation and is engaged in other activities requiring confirmation of the identity of Shareholders, the Board of Directors or the convener of the general meeting shall determine a record date. The Shareholders whose names appear on the register of members after the trading hours of the record date are those entitled to relevant rights and interests.

Article 33 Shareholders of the Company are entitled to the following rights:

- (I) to have income right to receive distribution of dividends and other forms of benefits in proportion to the number of shares they hold;

- (II) to have speaking and voting right, and to demand to convene and hold, to preside over, to participate in, or to appoint proxies of Shareholders to attend, the general meetings, and to exercise corresponding speaking and voting rights in accordance with law;
- (III) to have supervision right to supervise the business operations of the Company and make recommendations or raise questions;
- (IV) to transfer, grant or pledge the Company's Shares they hold according to the provisions of the laws, the administrative regulations, departmental rules, normative documents or these Articles;
- (V) to have information right to obtain relevant information in accordance with laws, administrative regulations, departmental rules, normative documents, and these Articles, including: the right to review and copy the articles of associations, registers of members, minutes of general meetings, resolutions of board meetings, and financial and accounting reports of the Company and its wholly-owned subsidiaries. Shareholders who meet the prescribed requirements may inspect the Company's accounting books and accounting vouchers;
- (VI) to have the right to participate in the distribution of remaining assets of the Company in proportion to the number of Shares held by them upon the termination or liquidation of the Company;
- (VII) to have the right to demand the Company to buy back his/her Shares if such Shareholder objects the resolution on merger or division of the Company passed by the general meeting;
- (VIII) to have any other rights as provided by laws, administrative regulations, departmental rules, normative documents, and securities regulatory rules of the place where the Company's Shares are listed, or these Articles.

Shareholders who individually or jointly hold more than 3% of the Company's Shares for more than 180 consecutive days may demand to inspect the accounting books and accounting vouchers of the Company and its wholly-owned subsidiaries.

Article 34 In the event that a Shareholder requests to review and copy the relevant information or materials as prescribed in the preceding Article, he/she shall comply with the provisions of the Company Law, the Securities Law and other laws, administrative regulations and securities regulatory rules of the place where the Company's Shares are listed. Such Shareholder shall provide the Company with written documents proving the class and number of the Company's Shares they hold. After verifying the Shareholder's identity, the Company shall provide such information or materials as requested by such Shareholder.

Shareholders who individually or jointly hold more than 3% of the Company's Shares for more than 180 consecutive days and request to inspect the Company's accounting books and accounting vouchers in accordance with the preceding Article shall submit a written request to the Company stating the purpose. If the Company has reasonable grounds to believe that the Shareholder's inspection of accounting books and accounting vouchers is for an improper purpose and may harm the Company's legitimate interests, it may reject the Shareholder's request for inspection, and shall provide the Shareholder with a written reply stating the reasons within 15 days from the date of receiving the Shareholder's written request. If the Company rejects the Shareholder's request for inspection, such Shareholder may file a lawsuit with the people's court.

For the inspection of materials specified in the preceding paragraph, a Shareholder may entrust an intermediary agency such as an accounting firm or a law firm to do so on his/her behalf.

When inspecting or copying relevant materials, Shareholders and the accounting firms, law firms, and any other intermediary agencies entrusted by them shall comply with the laws and administrative regulations concerning the protection of state secrets, trade secrets, personal privacy and personal information.

The preceding four paragraphs apply to Shareholders' request to inspect or copy relevant materials of the Company's wholly-owned subsidiaries.

Article 35 In the event that the resolutions of the general meeting or Board meeting violate the laws or the administrative regulations, the Shareholder is entitled to petition the people's court for a declaration of invalidity.

If the convening procedure or voting method of a general meeting or a Board meeting violates the laws, administrative regulations or these Articles, or if the resolutions of such meetings violate these Articles, the Shareholders may petition the people's court to set aside the resolution within 60 days after the date of such resolution, except where the convening procedure or voting method of the general meeting or the Board meeting only has some minor defects which produces no substantial effect on the resolution.

If the Board of Directors, Shareholders and other relevant parties have disputes over the validity of the resolution of a general meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgment or ruling to revoke the resolution, the relevant parties shall implement the resolution of the general meeting. The Company, Directors and senior management shall perform their duties earnestly to ensure the normal operation of the Company.

When the people's court makes a judgment or ruling on relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the provisions of laws, administrative regulations, or the regulations of the CSRC and the Stock Exchange, fully explain the impact, and actively cooperate with the implementation of the judgment or ruling after it becomes effective. If it involves correction of previous matters, it will be handled promptly and the corresponding information disclosure obligations will be fulfilled.

Under any of the following circumstances, a resolution of a general meeting or a Board meeting of the Company is deemed non-existent:

- (I) the resolution was passed without holding a general meeting or a Board meeting;
- (II) the general meeting or the Board meeting fails to vote on the resolution;
- (III) the number of the attendees of the meeting or the number of the voting rights held by them falls short of the quorum required by the Company Law, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association;

- (IV) the number of attendees or the number of the voting rights held by them in favor of the resolution falls short of the quorum required by the Company Law, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 36 If a Director or senior management other than a member of the Audit Committee violates the provisions of the laws, administrative regulations or these Articles in the course of performing corporate duty and causes losses to the Company, Shareholders who individually or collectively hold more than 1% of the Company's Shares for more than 180 consecutive days have the right to demand the Audit Committee in writing to file a lawsuit with the people's court; if a member of the audit committee violates the provisions of the laws, administrative regulations or these Articles in the course of performing corporate duty and causes losses to the Company, the aforementioned Shareholders may demand the Board of Directors in writing to file a lawsuit with the people's court.

If the Audit Committee or the Board of Directors refuses to file a lawsuit after receiving the written demand of the Shareholders specified in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receipt of such demand, or if the situation is urgent and the failure to file a lawsuit immediately will cause irreparable damage to the interests of the Company, the Shareholders specified in the preceding paragraph have the right to directly file a lawsuit with the people's court in their own names for the benefit of the Company.

If another party infringes upon the legitimate rights and interests of, and causes losses to, the Company, the Shareholders specified in the paragraph 1 of this Article may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

If any director, supervisor, or senior management of a wholly-owned subsidiary of the Company commits an act specified in the first paragraph of this Article, or if another party infringes upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and causes losses thereto, Shareholders of the Company who individually or collectively hold more than 1% of the Company's Shares for more than 180 consecutive days may, in accordance with the provisions of the preceding three paragraphs, submit a written demand to the board of supervisors or the board of directors of the wholly-owned subsidiary to file a lawsuit with the people's court or directly file a lawsuit with the people's court in their own names.

If a wholly-owned subsidiary of the Company does not have a board of supervisors or supervisors but has an audit committee, the provisions of the first and second paragraphs of this Article apply.

If laws, regulations, or these Articles provide otherwise, such provisions prevail.

Article 37 If a Director or senior management violates the provisions of the laws, administrative regulations or these Articles and cause damage to the interests of the Shareholders, the Shareholders may file a lawsuit with the people's court.

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

- (I) to abide by the laws, the administrative regulations, department rules, normative documents, securities regulatory rules of the place where the Company's shares are listed and these Articles;
- (II) to pay the subscription monies according to the shares they subscribe for and the method of capital contribution;
- (III) not to withdraw his/her capital contribution unless prescribed otherwise in the laws, administrative regulations and securities regulatory rules of the place where the Company's shares are listed;
- (IV) not to abuse his/her Shareholders' rights to infringe upon the interests of the Company or other Shareholders;
- (V) not to abuse the separate status of the Company as a legal person and the limited liability of shareholders to harm the interests of the creditors of the Company;
- (VI) to assume any other obligations required by the laws, administrative regulations, departmental rules, normative documents, and securities regulatory rules of the place where the Company's shares are listed and these Articles.

If the Shareholders of the Company abuse their Shareholder's rights and cause losses to the Company or any other Shareholders, they shall bear liability for compensation in accordance with the law.

If the Shareholders of the Company abuse the separate status of the Company as a legal person and the limited liability of shareholders, evade debts, and seriously harm the interests of the Company's creditors, they shall bear joint and several liability for the Company's debts.

If Shareholder uses more than two companies under his/her control to carry out the foregoing acts, each company is jointly and severally liable for the debts of any one of them.

Article 39 A Shareholder holding more than 5% of the voting Shares of the Company who pledges the Shares held by him/her shall make a written report to the Company on the day such fact occurs.

Section 2 Controlling Shareholder and Actual Controller

Article 40 The Controlling Shareholder and actual controller of the Company may exercise their rights and shall fulfill their obligations in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, the requirements of the CSRC and stock exchanges to safeguard the interests of the Company.

Article 41 Controlling Shareholder and actual controller of the Company shall comply with the following provisions:

- (I) to exercise their rights as Shareholders in accordance with the laws and not to abuse their control rights or use their related/connected relationship to prejudice the legitimate interests of the Company or other Shareholders;
- (II) to strictly fulfill their public statements and various undertakings and not to change or waive such statements and undertakings;
- (III) to fulfill their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Company in information disclosure and inform the Company in a timely manner of material events that have occurred or are anticipated to occur;
- (IV) not to appropriate the Company's funds in any way;
- (V) not to order, instruct, or request the Company and its relevant personnel to provide guarantees in violation of laws and regulations;
- (VI) not to make use of the Company's undisclosed material information to gain benefits, or disclose in any way undisclosed material information relating to the Company, or engage in insider trading, short-term trading, market manipulation or other illegal and unlawful acts;
- (VII) not to prejudice the legitimate interests of the Company and other Shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;
- (VIII) to ensure the integrity of the Company's assets, and the independence of its personnel, finance, organization and business, and not to affect the independence of the Company in any way;
- (IX) to comply with laws, administrative regulations, requirements of the CSRC, business rules of stock exchanges, securities regulatory rules of the place where the Company's shares are listed and any other provisions of these Articles.

If the Controlling Shareholder or actual controller of the Company does not hold a directorship in the Company but effectively manages the Company's affairs, the provisions of these Articles on the fiduciary duties and duty of diligence of directors apply.

Where the Controlling Shareholder or actual controller of the Company instructs a Director or senior management to engage in an act that is detrimental to the interests of the Company or its Shareholders, he/she shall bear joint and several liability with the Director or senior management.

The Controlling Shareholder and actual controller of the Company shall maintain the Company's independence and exercise their rights in accordance with the Company's decision-making procedures. The Controlling Shareholder and actual controller of the Company may not, in violation of laws, regulations, and these Articles, directly or indirectly interfere with the Company's decision-making and operational activities, or otherwise use their controlling position to harm the legitimate rights and interests of the Company and its Shareholders.

The Directors and senior management of the Company bear a statutory duty to safeguard the security of the Company's assets. If a Director or senior management of the Company assists or connives with a Controlling Shareholder, actual controller, or their affiliated enterprise in misappropriating the Company's assets, the Company's Board of Directors shall impose disciplinary actions on the directly responsible person(s) according to the severity of the circumstances, and propose to the general meeting to remove any Director who bears serious responsibility.

Article 42 Where the Controlling Shareholders or actual controllers pledge Shares of the Company held by them or actually controlled by them, they shall maintain the stability of the Company's control and production operations.

Article 43 Where Controlling Shareholders or actual controllers transfer Shares of the Company held by them, they shall comply with the restrictive provisions on share transfer as provided in the laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed, the regulations of the CSRC and stock exchanges, as well as the undertakings made by them in respect of the restricted share transfer.

Section 3 General Provisions for General Meeting

Article 44 The Company's general meeting is composed of all Shareholders. The general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law:

- (I) to elect or remove the Directors and to decide on matters relating to the remuneration of Directors;
- (II) to consider and approve reports of the Board of Directors;
- (III) to consider and approve the profit distribution plans and loss recovery plan of the Company;
- (IV) to resolve on any increase or reduction of the Company's registered capital;
- (V) to resolve on the issuance of bonds by the Company;

- (VI) to resolve on the merger, division, spin-off, dissolution, liquidation or change in the form of the Company;
- (VII) to resolve on the amendment of these Articles;
- (VIII) to decide on appointment and dismissal of accounting firms engaged in the audit work of the Company;
- (IX) to review and approve external guarantees as prescribed in Article 45 of these Articles;
- (X) to review and approve related transactions that are subject to consideration and approval by the general meeting as stipulated by laws, administrative regulations, departmental rules, normative documents and these Articles;
- (XI) to review any major acquisition or disposal of assets within a year with the value exceeding 30% of the latest audited total assets of the Company;
- (XII) to review borrowing or financing of the Company that occurs in a single transaction or on a cumulative basis over a period of 12 consecutive months with the amount exceeding 50% of the latest audited total assets of the Company;
- (XIII) to review and approve any change in the use of proceeds;
- (XIV) to review equity incentive scheme and employee stock ownership plan;
- (XV) to consider and approve other matters to be decided at the general meeting required by the laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed or these Articles.

The general meeting may authorize the Board to resolve on the issuance of debentures of the Company.

Article 45 The following external guarantees made by the Company shall be considered and approved by the general meeting:

- (I) any guarantee provided after the total amount of the external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (II) any guarantee provided after the total amount of the external guarantees provided by the Company and its controlled subsidiaries exceeds 30% of the latest audited total assets;
- (III) a guarantee provided to a party with a debt ratio of more than 70%;
- (IV) the amount of a single guarantee exceeds 10% of the latest audited net assets of the Company;

- (V) a guarantee which, calculated based on the amount provided to others on a cumulative basis over a period of 12 consecutive months, exceeds 30% of the latest audited total assets of the Company;
- (VI) a guarantee provided to Shareholders, actual controller and their connected persons;
- (VII) other guarantees that are subject to consideration and approval by the general meeting as stipulated by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed or these Articles.

The guarantees under paragraph (V) of this Article that are subject to consideration by the general meeting require approval by more than two-thirds of the voting rights held by the Shareholders present at the meeting; for the above-mentioned guarantees under paragraph (VI) of this Article that are subject to consideration by the general meeting, when the general meeting considers a proposal to provide guarantees for Shareholders, actual controller and their related persons, such Shareholders or the shareholders controlled by the such actual controller shall abstain from voting on such proposal, and the proposal is subject to approval by more than half of the voting rights held by other Shareholders present at the general meeting.

The terms "external guarantee" and "guarantee matters" in this Article refer to guarantees provided by the Company for others, including guarantees provided by the Company for its controlled subsidiaries.

External guarantees that are subject to the consideration by the general meeting as provided by this Article must be considered and approved by the Board of Directors before they are submitted to the general meeting for approval.

The Board of Directors of the Company has the power to consider and approve external guarantees other than the above-mentioned circumstances. External guarantees subject to approval by the Board of Directors of the Company must, in addition to being passed by a simple majority of all Directors, also be approved by more than two-thirds of the Directors present at the Board meeting.

If an external guarantee violates the ambit of approval authority or review procedures, the Company shall impose corresponding disciplinary actions on the relevant responsible person(s) according to the extent of economic losses suffered by the Company and the severity of the circumstances; if losses are caused to the Company, the relevant responsible person(s) is liable for compensation.

Article 46 The general meetings are divided into annual general meetings and extraordinary general meetings.

The annual general meeting is convened once a year and be held within six months of the end of the previous fiscal year. Extraordinary general meetings is convened from time to time. When the circumstances provided in these Articles requiring the convening of an extraordinary general meeting arise, such meeting is required to be convened within two months.

If the Company fails to convene a general meeting within the aforementioned time frame, it shall report to the local office of the CSRC at the place where the Company is located and the stock exchange, explaining the reasons and making an announcement.

Article 47 An extraordinary general meeting is required to be convened within two months under any of the following circumstances:

- (I) the number of Directors is less than the number required by the Company Law or less than two-thirds of the number specified in these Articles;
- (II) the uncovered losses of the Company reach one-third of the Company's total share capital;
- (III) when a Shareholder individually or Shareholders jointly holding more than 10% of the Company's Shares (hereinafter referred to as the "Proposed Shareholder(s)") make such request;
- (IV) when the Board of Directors considers necessary;
- (V) when the Audit Committee proposes to convene a meeting;
- (VI) any other circumstances as provided in laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's shares are listed, or these Articles.

The proportion of voting rights referred to in preceding paragraph (III) of this Article is calculated as of the date on which the Proposed Shareholder(s) make(s) a request in writing.

Article 48 The venue of a general meeting is the domicile address of the Company or any other specific venue explicitly stated in the notice of the general meeting.

The general meeting will be held as a physical meeting at a designated venue. Shareholders may attend virtually via technology means. The Company shall also provide online voting or any other methods to facilitate Shareholders' participation.

Article 49 When convening a general meeting, the Company shall engage a lawyer to issue a legal opinion on the following issues and make an announcement:

- (I) whether the convening and holding procedures of the meeting comply with laws, administrative regulations, and these Articles;
- (II) whether the qualifications of the attendees and the convener are lawful and valid;
- (III) whether the voting procedures and voting results of the meeting are lawful and valid;
- (IV) legal opinions on other relevant issues requested by the Company.

Section 4 Convening of General Meeting

Article 50 The Board of Directors shall timely convene the general meeting within the time frame as required.

With the approval by a majority of all independent Directors, the independent Directors have the right to propose to the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors is required, in accordance with the laws, administrative regulations, departmental rules, normative documents and these Articles, reply in writing within 10 days after its receipt of such proposal to state whether it agrees or disagrees to convene an extraordinary general meeting.

If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after the Board resolution for this purpose is adopted. If the Board of Directors does not agree to convene an extraordinary general meeting, it shall give the reasons and make an announcement accordingly.

Article 51 The Audit Committee may propose to the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors is required, in accordance with the laws, administrative regulations, departmental rules, normative documents and these Articles, reply in writing within 10 days after its receipt of such proposal to state whether it agrees or disagrees to convene an extraordinary general meeting.

If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after the Board resolution for this purpose is adopted. Any changes made by the original proposal in the notice are subject to approval of the Audit Committee.

If the Board of Directors disagrees to convene the extraordinary general meeting, or fails to reply within 10 days after its receipt of the proposal, the Board is deemed as unable to or failing to perform its duties to convene the general meeting, and the Audit Committee may convene and preside over the meeting themselves.

Article 52 The Proposed Shareholder(s) may propose to the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors is required, in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents and these Articles, reply in writing within 10 days after its receipt of such proposal to state whether it agrees or disagrees to convene an extraordinary general meeting.

If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after the Board resolution for this purpose is adopted. Any changes made to the original proposal in the notice are subject to approval of the Proposed Shareholder(s).

If the Board of Directors disagrees to convene the extraordinary general meeting, or fails to reply within 10 days after its receipt of the proposal, the Proposed Shareholder(s) may propose to the Audit Committee to convene an extraordinary general meeting and shall put forward the request to the Audit Committee in writing. The Audit Committee shall, in accordance with the provisions of laws, administrative regulations and these Articles, make a decision on whether it agrees to convene an extraordinary general meeting within 10 days after its receipt of the request, and reply to the Shareholders in writing.

If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after its receipt of the request. Any changes made to the original proposal in the notice are subject to approval of the Proposed Shareholder(s).

If the Audit Committee disagrees to convene the extraordinary general meeting, or fails to reply within 10 days after its receipt of the request, the Audit Committee is deemed as not convene or preside over the general meeting, and a Shareholder individually or Shareholders jointly holding more than 10% of the Shares in the Company for more than 90 days consecutively (hereinafter referred to as the “Convening Shareholder(s)”) may convene and preside over the meeting themselves.

Article 53 Where the Audit Committee or Shareholders convene a general meeting by themselves, a written notice is required to be sent to the Board of Directors and filed with the stock exchanges.

When the Audit Committee or the Convening Shareholder(s) issue the notice of general meeting and publicly announces the resolution(s) of the general meeting, they shall submit the relevant documentary proof to stock exchanges.

Prior to the announcement of the resolution adopted by the general meeting, no less than a 10% shareholding ratio is required for the Convening Shareholder(s).

Article 54 For general meetings unilaterally convened by the Audit Committee or the Shareholders, the Board of Directors and the Board secretary shall render cooperation accordingly. The Board of Directors shall provide the register of members as at the record date for determining the shareholding. If the Board of Directors fails to provide the register of members, the convener may apply to the securities registration and clearing house to obtain the same with the relevant announcement of the notice of convening the general meeting. The register of members so obtained by the convener may not be used for other purposes other than convening the general meeting.

Article 55 All necessary expenses incurred by the Audit Committee or the Shareholders to convene a general meeting on a unilateral basis are borne by the Company.

Section 5 Proposals and Notices of General Meeting

Article 56 The contents of a proposal shall fall within the terms of reference of the general meeting and contain clear agendas and specific matters for resolution, and shall comply with relevant provisions of the laws, administrative regulations, departmental rules, normative documents and these Articles.

Article 57 When the Company convenes a general meeting, the Board of Directors, the Audit Committee, and Shareholders who individually or jointly hold more than 1% of the Company's Shares have the right to submit proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company's Shares may put forward ad hoc proposals and submit them to the convener in writing 10 days before the general meeting. The convener shall issue a supplementary notice of the general meeting two days after receiving the proposal and announce the contents of the ad hoc proposal, and submit the ad hoc proposals to the general meeting for consideration, except for any proposal that violates the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed or the Articles of Association, or any proposal that falls outside the terms of reference of the general meeting.

Save as provided in the preceding paragraph, the convener shall not change the proposals set out in the notice of the general meeting or add any new proposal after the said notice is served.

Proposals not set out in the notice and supplementary notice of the general meeting or not complying with the provisions of Article 56 of these Articles shall not be voted on and resolved at the general meeting.

Article 58 The convener shall notify all Shareholders 20 days prior to the convening of the annual general meeting (excluding the day on which the meeting is convened but including the day on which the notice is issued), or 15 days prior to the convening of the extraordinary general meeting (excluding the day on which the meeting is convened but including the day on which the notice is issued).

Article 59 Notice of the general meeting shall include the following contents:

- (I) the time, venue and duration of the meeting;
- (II) matters and proposals to be considered at the meeting;
- (III) a clear statement that all Shareholders are entitled to attend the general meeting and may appoint a proxy in writing to attend and vote at the meeting, and such proxy need not be a Shareholder of the Company;
- (IV) the record date for determining Shareholders who are entitled to attend the general meeting;

- (V) the name(s) and telephone number(s) of the standing contact person for the affairs of the meeting;
- (VI) the time and procedures for online voting or voting by other means;
- (VII) any other contents stipulated by relevant laws, administrative regulations, departmental rules, normative documents and securities regulatory rules of the place where the Shares of the Company are listed as well as the notice as provided in the Articles of Association.

The notice and supplementary notice of the general meeting shall fully and completely disclose all specific contents of all proposals as well as all the information or explanations necessary for Shareholders to make reasonable judgments on the matters to be discussed.

The commencing time of voting online or through other means at any general meeting shall not be earlier than 3:00 p.m. on the day preceding the convening of the onsite general meeting and shall not be later than 9:30 a.m. on the convening date of the onsite general meeting. Its conclusion time shall not be earlier than 3:00 p.m. on the conclusion date of the onsite general meeting.

The interval between the record date and the date of the meeting shall not be more than 7 working days. Once the record date is confirmed, no change may be made thereto.

Article 60 Where a general meeting intends to discuss the election of Directors, the notice of the general meeting shall fully disclose the details of the candidates for Directors, including at least the following:

- (I) personal circumstances such as educational background, work experience and part time jobs;
- (II) whether there is a related relationship with the Company or its Controlling Shareholders or actual controllers;
- (III) the number of Shares of the Company held by him/her;
- (IV) whether he/she has been subject to punishment by the CSRC and other relevant departments and reprimand by the Stock Exchange;
- (V) whether there exists any circumstance that would disqualify the person from serving as a director under laws, administrative regulations, departmental rules, normative documents, and the securities regulatory rules of the place where the Company's Shares are listed.

Except for the cumulative voting system for election of Directors, each candidate for Director shall submit a single proposal.

Article 61 After the notice of general meeting is issued, the general meeting shall not be postponed or canceled without proper reasons, and the proposals set out in the notice of general meeting shall not be canceled. In the event of postponement or cancellation, the convener shall issue a notice of postponement and give the reasons at least two working days before the original meeting date.

Section 6 Holding of General Meeting

Article 62 The Board of Directors and other conveners of the Company shall take necessary measures to ensure the normal order at the general meeting. Measures will be taken to stop any acts that interfere with the general meeting, provoke trouble and infringe upon the legitimate rights and interests of Shareholders and reports shall be made to the relevant authorities for investigation and punishment in a timely manner.

Article 63 All Shareholders holding ordinary Shares and registered on the record date or their proxies are entitled to attend the general meetings, and speak and exercise their voting rights in accordance with the relevant laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's Shares are listed and these Articles, unless the individual Shareholder(s) is/are required to abstain from voting in respect of specific matters under the securities regulatory rules of the place where the Company's Shares are listed.

Shareholders may attend the general meetings in person or appoint a proxy/proxies (who need not be a Shareholder of the Company) to attend, speak and vote at such meeting on their behalf. In the event of a recognized clearing house (or its nominees), a Shareholder may authorize its company representative(s) or one or more persons it deems appropriate to act as its proxy at any general meeting.

Article 64 An individual Shareholder who attends the meeting in person shall present his/her identification card or any other valid document(s) or certificate(s) that can prove his/her identity. A proxy who attends the meeting appointed by a Shareholder shall present his/her valid identification documents and the proxy form from such Shareholder.

Corporate shareholders shall be represented at the meeting by the legal representative or the proxy entrusted by the legal representative. The legal representative attending the meeting shall produce his/her identification card, a valid certificate proving his/her qualification as a legal representative. The proxy attending the meeting shall present his/her identification card, a written power of attorney issued by the legal representative of the corporate shareholder entity in accordance with the laws (except for Shareholder(s) who is/are a recognized clearing house and its nominees, as defined in the relevant ordinances under the laws of Hong Kong in force from time to time or the securities regulatory rules of the place where the Company's Shares are listed), and such corporate Shareholder shall be deemed to be present in person at the meeting if it has appointed a proxy/proxies to attend on its behalf.

Shareholders of a partnership enterprise shall be represented at the meeting by the managing partner or a proxy appointed by the managing partner. The managing partner attending the meeting shall produce his/her identification card, a valid certificate proving his/her qualification as a managing partner. The proxy attending the meeting shall produce his/her identification card, a written power of attorney issued by the managing partner of the partnership enterprise shareholder entity in accordance with the laws.

In the event of a recognized clearing house (or its nominees) as defined in relevant ordinances enacted in Hong Kong from time to time or the securities regulatory rules of the place where the Company's Shares are listed, such Shareholder may authorize its company representative(s) or one or more persons it deems appropriate to act as its proxy at any general meeting or any creditors' meeting. However, if more than one person is authorized, the proxy form shall specify the number and class of Shares in respect of which each person is so authorized. A person so authorized may exercise the rights on behalf of the Shareholder without producing proof of shareholding, notarized authorization and/or further evidence proving that he/she is duly authorized, and shall enjoy the same legal rights as other Shareholders (including the right to speak and vote) as if he/she was an individual Shareholder of the Company.

Article 65 The proxy form for a Shareholder to appoint another person to attend the general meeting on his/her behalf shall contain the following contents:

- (I) the name of the appointor, and the class and number of Shares of the Company held by him/her;
- (II) the name of the proxy;
- (III) specific instructions from the Shareholders, including indication to vote in favor, against or abstain from voting on each item on the agenda of the general meeting;
- (IV) the date of signing and the period of validity of the proxy form;
- (V) the signature (or seal) of the principal. Where the principal is not a natural person Shareholder, its company seal shall be affixed.

Article 66 Where the power of attorney for voting of a proxy is signed by another person authorized by the principal, the power of attorney or other authorization documents authorized to be signed shall be notarized. The notarized power of attorney or any other authorization document together with the proxy form for voting shall be maintained at the domicile address of the Company or such other place specified in the notice of meeting. The power of attorney for voting of a proxy shall be maintained at the domicile address of the Company or such other place specified in the notice of meeting at least prior to the convening of the meeting to which the power of attorney for voting relates or prior to the designated time for voting.

Article 67 An attendance register of the meeting shall be compiled by the Company. The attendance register is required to set out items including but not limited to the names of the attendees (or the names of the entities), identity card numbers, the number of Shares held or voting rights represented and the names of the individuals (or the names of the entities) represented by a proxy/proxies.

Article 68 The convener(s) and the lawyer(s) engaged by the Company shall jointly verify the legitimacy of the Shareholders' qualifications based on the register of Shareholders provided by the securities registration and clearing institution, and shall register the names of the Shareholders and the number of Shares with voting rights held by them. The attendance register shall be closed before the chairman of the meeting announces the number of Shareholders and proxies present at the meeting and the total number of Shares with voting rights held by them.

Article 69 Where the general meeting requires Directors and senior management to attend the meeting, the Directors and senior management shall attend the meeting and answer Shareholder inquiries.

Article 70 General meeting shall be presided over by the chairperson of the Board of Directors. In the event that the chairperson is incapable of performing or not performing his/her duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or not performing his/her duties, a Director nominated by more than half of Directors shall preside over the meeting.

The general meeting convened by the Audit Committee on its own shall be presided over by the convener of the Audit Committee. In the event that the convener of the Audit Committee is incapable of performing or not performing his/her duties, the meeting shall be presided over by a member of the Audit Committee elected by more than half of the members of the Audit Committee.

The general meeting convened by Shareholders on their own shall be presided over by the convener or a representative elected by them.

In the event that the chairperson of the meeting violates the rules of procedures resulting in the general meeting unable to continue, upon approval by the Shareholders representing more than half of the voting rights present at the meeting, the general meeting may elect a person to preside over and continue the meeting.

Article 71 The Company shall formulate rules of procedure for the general meeting, which shall specify in detail the procedures for convening, holding and voting at the general meeting, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, announcements, etc., as well as the principles of delegating powers to the Board of Directors by the general meeting. The authorization shall be clear and specific.

Article 72 At the annual general meeting, the Board of Directors shall report at the general meeting on their work in the past year. Each independent Director shall also present a performance report.

Article 73 Directors and senior management shall make explanations and clarifications on the inquiries and suggestions from the Shareholders at the general meeting.

Article 74 The chairman of the meeting shall announce the number of Shareholders and proxies attending the meeting in person and the total number of Shares with voting rights held by them before voting, which are subject to the registration of the meeting.

Article 75 Minutes of the meeting shall be kept for the general meeting by the secretary to the Board of Directors. The minutes of the meeting shall record the following contents:

- (I) the time, place and agenda of the meeting and the name of the convener;
- (II) the name of the chairman of the meeting and the name of the Directors and senior management attending the meeting;
- (III) the number of Shareholders and proxies attending the meeting, the total number of Shares with voting rights held by them and the percentage of these Shares relative to the total number of Shares of the Company;
- (IV) the process of deliberation, the key points of speeches and the voting results for each proposal;
- (V) the inquiries, opinions or suggestions of Shareholders and the corresponding replies or explanations;
- (VI) the name of the lawyer, teller and the scrutineer;
- (VII) other contents that shall be recorded in the minutes as required by these Articles.

Article 76 The convener shall ensure that the contents of the minutes of the meeting are true, accurate and complete. The Directors, the Board secretary, the convener or his/her representative and the chairman and recorder of the meeting who attend the meeting shall sign the minutes of the meeting. The minutes of the meeting shall be kept together with the attendance register of the Shareholders attending in person, the power of attorney of the attending proxies, and the valid information on voting over the network and by other means for a period of not less than ten years.

Article 77 The convener shall ensure that the general meeting is held on a continuous basis until the final resolution is made. If the general meeting is suspended or fails to make a resolution due to special reasons such as force majeure, necessary measures shall be taken to resume the general meeting as soon as possible or directly terminate the general meeting, and an announcement shall be made in a timely manner. Meanwhile, the convener shall report to the local branch of the CSRC in the region where the Company operates and the Stock Exchange.

Section 7 Voting and Resolutions of General Meeting

Article 78 Resolutions of the general meeting are in the form of either ordinary resolutions or special resolutions.

An ordinary resolution proposed at the general meeting shall be passed by a majority of the voting rights held by the Shareholders (including their proxy/proxies) present at the general meeting.

A special resolution proposed at the general meeting shall be passed by more than two-thirds of the voting rights held by the Shareholders (including their proxy/proxies) present at the general meeting.

Article 79 The following matters shall be passed by ordinary resolutions at the general meeting:

- (I) working reports of the Board of Directors;
- (II) the profit distribution plan and loss recovery plan prepared by the Board of Directors;
- (III) the election and replacement of Directors and their remuneration and payment method thereof;
- (IV) matters other than those prescribed by provisions of laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's Shares are listed or these Articles that shall be passed by special resolutions.

Article 80 The following matters shall be passed by special resolutions at the general meeting:

- (I) the increase or reduction of the registered capital of the Company;
- (II) the merger, division, dissolution and liquidation (including voluntary winding up) of the Company;
- (III) amendments to these Articles;
- (IV) major assets purchased or sold by the Company or the amount of guarantee provided to others within one year exceeds 30% of the latest audited total assets of the Company;
- (V) equity incentive scheme;
- (VI) guarantees which, calculated based on the amount provided to others on a cumulative basis over a period of 12 consecutive months, exceed 30% of the latest audited total assets of the Company;

(VII) other matters as stipulated in laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's Shares are listed or these Articles, as well as other matters deemed by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and are required to be passed by a special resolution.

Article 81 Shareholders (including Shareholders who appoint proxies to attend the general meeting on their behalf) shall exercise their voting rights in proportion to the number of Shares carrying voting rights held by them, with one vote for each Share. In the event of a recognized clearing house (or its nominees) as defined in relevant ordinances enacted in Hong Kong from time to time or the securities regulatory rules of the place where the Company's Shares are listed, such Shareholder (including Shareholder's nominees) who holds two or more votes is not required to cast all his/her votes either for, against or in abstention.

The Shares of the Company held by the Company do not carry voting rights, and such Shares shall not be counted in the total number of Shares carrying voting rights held by the Shareholders attending the general meeting.

Where the significant matters affecting the interests of the minor Shareholders are considered at the general meeting, the voting by Shareholders other than the Company's Directors, senior management and Shareholders individually or jointly holding more than 5% (inclusive) of the Company's Shares shall be counted separately and publicly disclosed.

If the purchase by a Shareholder of the Shares carrying voting rights of the Company is in violation of the first and second paragraphs of Section 63 of the Securities Law, the voting rights over the Shares exceeding the stipulated proportion shall not be exercised within 36 months after the purchase, and such Shares shall not be included in the total number of Shares carrying voting rights at the general meeting. The Board of Directors, independent Directors, Shareholders holding 1% or more of the voting Shares of the Company or the investor protection bodies established in accordance with the laws, administrative regulations, or the requirements of securities regulatory authorities under the State Council 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 voting rights by means of consideration or disguised consideration is prohibited. Except for the statutory conditions, the Company is not allowed to propose any minimum shareholding requirements for the solicitation of voting rights.

Article 82 When a connected transaction is considered at a general meeting, the connected Shareholders shall abstain from voting and the number of Shares carrying voting rights held by them shall not be included in the total number of valid votes; the announcement of the general meeting resolutions shall fully disclose the voting results of non-connected Shareholders.

Article 83 Save that the Company is under special circumstances such as crisis, and unless approved by way of special resolution at a general meeting, the Company shall not enter into any contracts with any person other than the Directors and senior management pursuant to which the management of all or a substantial part of the business of the Company shall be given to such person.

Article 84 The list of candidates for Directors shall be submitted to the general meeting for voting in the form of a proposal.

If a single Shareholder of the Company and his/her parties acting in concert have interest in 30% or more of Shares, or if cumulative voting is otherwise required by laws or regulations, the cumulative voting system shall be adopted when voting on the election of Directors at a general meeting. The cumulative voting system shall be adopted for the election of two or more independent Directors at a general meeting.

The main content of the cumulative voting system mentioned in the preceding paragraph is as follows:

- (I) the cumulative voting system shall be adopted for the election of Directors at the general meeting;
- (II) under the cumulative voting system, the voting for independent Directors and non-independent Directors shall be conducted separately;
- (III) where cumulative voting system is adopted, each of the Shares held by a Shareholder shall carry the same number of votes as the number of Directors to be elected;
- (IV) where the election for Directors is put to the vote of the general meeting, a Shareholder may exercise his/her voting rights by spreading his/her votes among the candidates for Directors, or by concentrating all his/her votes on one candidate;
- (V) A director candidate who receives more than half of the total number of Shares carrying voting rights (based on the number of unaccumulated Shares) held by Shareholders attending the general meeting shall be elected. If the number of elected Director candidates exceeds the number of Directors to be elected, those with the highest votes shall be elected as Directors (if, however, the appointment of candidates with same number of votes will result in the number of elected candidates exceeding the number of Directors to be elected, such candidates shall not be deemed to be elected).

Article 85 Save for the cumulative voting system, all proposals shall be voted on one by one at the general meeting. In the case where different proposals are made on the same matter, votes shall be cast in accordance with the sequence of the proposals presented. Unless the general meeting is suspended or no resolution may be passed due to special reasons such as force majeure, the proposals shall not be set aside and voting shall take place at the general meeting.

Article 86 When a proposal is being considered at a general meeting, no modifications may be made to the proposal. Any modifications shall be deemed as a new proposal and shall not be voted on at that general meeting.

Article 87 The same voting right may only be exercised at either an on-site meeting, over the network or by other voting method. In the event that the same voting right is repeated, the result of the first vote shall prevail.

Article 88 The general meeting shall take a vote by registered ballot.

Article 89 Before voting takes place on a proposal at a general meeting, two Shareholders' representatives shall be elected to count and scrutinize the votes. In the event that a Shareholder has a related-party relationship with the matter to be considered, such Shareholder and his/her proxy shall be excluded from vote counting and scrutinizing.

When voting on a proposal at the general meeting, lawyers and Shareholder representatives shall be jointly responsible for counting and scrutinizing the votes, and the voting results shall be announced on the spot. The voting results of the resolution shall be recorded in the meeting minutes.

Shareholders of the Company or their proxies who cast their votes online or by other method shall have the right to inspect their own voting results through an appropriate voting system.

Article 90 A physical general meeting shall not end earlier than the one held online or by other method. The chairman of the meeting shall announce the voting details and results on each proposal, and announce whether a proposal is passed according to the voting results.

Before the formal announcement of voting results, the Company, vote counters, vote scrutineers, Shareholders, network service providers and other related parties involved in the voting of a physical general meeting, or voting online and by other method, shall have an obligation to keep confidential the voting details.

Article 91 Shareholders present at a general meeting shall express one of the following opinions on a proposal submitted for voting: being in favor of, against or abstaining from voting, save for the circumstance under which the securities registration and clearing institution, acting as the nominal holder of Shares under the Mainland-Hong Kong Stock Connect, or a recognized clearing house or its nominees, as defined in the relevant ordinances under the laws of Hong Kong in force from time to time or the securities regulatory rules of the place where the Company's Shares are listed, acting as the nominal holder, makes a declaration according to the intentions of the actual holders.

Uncompleted paper ballots, wrongly completed paper ballots, paper ballots with illegible characters and uncast paper ballots shall be deemed as a waiver of voting rights by the voters. The voting results of the Shares they hold shall be counted as "abstained".

Article 92 If the chairman of the meeting has any doubt regarding the voting results of a resolution submitted for voting, he/she may arrange for a recount of the votes. If the chairman of the meeting does not conduct a recount, Shareholders or Shareholder proxies present at the meeting who disagree with the results announced by the chairman of the meeting shall have the right to immediately request a recount after the announcement of the voting results, and the chairman of the meeting shall promptly arrange for such recount.

Article 93 Resolutions of the general meeting shall be announced in a timely manner. The announcement shall specify the number of Shareholders and proxies present at the meeting, the total number of voting Shares held and their proportion to the Company's total voting Shares, the voting method, the voting results for each proposal and the detailed content of the resolutions passed.

Article 94 If the proposal is not approved, or the resolution of the previous general meeting is changed at this general meeting, a special instruction shall be made in the notice of the resolution of the general meeting.

Article 95 Where a proposal for the election of a Director is approved at the general meeting, the appointment of a new Director shall take place on the date on which the resolution of the general meeting for the election of such Director is approved.

Article 96 If the general meeting approves a proposal relating to cash distribution, bonus Shares or conversion of capital reserve to share capital, the Company shall implement the specific plan within 2 months after the conclusion of the general meeting.

Chapter 5 Board of Directors

Section 1 General Provisions for Directors

Article 97 Directors of the Company shall be natural persons. A person shall be disqualified from being a Director of the Company in each of the following circumstances:

- (I) a person who is unable or has limited ability to undertake any civil liabilities;
- (II) a person who has been convicted of and sentenced for offences relating to corruption, bribery, misappropriation of property, embezzlement, or the destruction of socialist market economy order, or who has been deprived of political rights due to his/her crimes, where less than five years have elapsed since the date of completion of the sentence; or in the case of a suspended sentence, no more than two years have elapsed since the date of expiration of the probationary period;
- (III) a person who was a former director, factory manager or manager of a company or an enterprise that went 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 date of the completion of the bankruptcy and liquidation of the company or enterprise;

- (IV) a person who had been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law and had been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation of the business license or such order;
- (V) a person listed as a dishonest person subject to enforcement by the people's court for failure to pay a large amount of debts that are overdue;
- (VI) a person who is subject to a penalty by relevant regulatory authorities with a ban to access the securities market and is still in the period of penalty;
- (VII) a person who is publicly determined by the stock exchange(s) as unsuitable to serve as a director or a senior manager of listed companies, and the time limit has not yet expired;
- (VIII) other circumstances stipulated by the laws, administrative regulations, departmental rules, normative documents or the securities regulatory rules of the place where the Company's Shares are listed.

Where the Company elects or appoints any Director in violation of the provisions above, such elections, appointments or engagement shall be deemed invalid. Where any Director, during his/her term of office, is under any of the circumstances as mentioned above, the Company shall remove him/her from his/her office.

Article 98 Directors shall be elected or replaced by the general meeting and may be removed by the general meeting before the expiration of their term of office. The term of office of Directors shall be three years, and Directors shall be eligible for re-election upon the expiration of the tenure.

The term of office of a Director shall be calculated from the date of appointment until the expiry of the term of office of the current session of the Board of Directors. A Director shall continue to perform his/her duties in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents and these Articles until a re-elected Director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office, or if the resignation of Director results in the number of Directors being less than the quorum.

A Director who resigns shall notify the Company in writing, and the resignation shall take effect on the date on which the Company receives the notice. However, if the circumstances specified in the preceding paragraph exist, the Director shall continue to perform his/her duties.

The general meeting may resolve to dismiss a Director, and the dismissal shall take effect on the date on which the resolution is made.

Directors may be held concurrently by senior management, but the total number of Directors concurrently holding senior management positions and Directors who are employee representatives shall not exceed 1/2 of the total number of Directors of the Company.

Article 99 Directors shall abide by the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed, and these Articles, shall bear the fiduciary duty to the Company, shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not use their powers to seek improper interests.

The Directors bear the following fiduciary duty to the Company:

- (I) no embezzlement of Company property and misappropriation of the Company's funds;
- (II) not depositing the Company's funds into accounts under his/her own name or the name(s) of other individual(s);
- (III) not exploiting his/her position and power to accept bribes or other illegal income;
- (IV) not to directly or indirectly enter into contracts or transactions with the Company without reporting to the Board of Directors or the general meeting and being approved by resolutions of the Board of Directors or the general meeting in accordance with the provisions of these Articles;
- (V) without the consent of the general meeting, not to take advantage of their position to seek business opportunities that are available to the Company for themselves or others, except where such business opportunities have been reported to the Board of Directors or the general meeting and approved by resolutions of the general meeting, or where the Company is unable to take advantage of such business opportunities in accordance with the provisions of the laws, administrative regulations, the securities regulatory rules of the place where the Company's Shares are listed or these Articles;
- (VI) not to conduct businesses of the same type as that of the Company for themselves or others without reporting to the Board of Directors or the general meeting and being approved by resolutions of the general meeting;
- (VII) not accepting and possessing commissions paid by a third party for transactions entered into with the Company;
- (VIII) no unauthorized divulgence of confidential information of the Company;
- (IX) not to use their related-party relationship to harm the interests of the Company;
- (X) other fiduciary duties as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Income generated by Directors in violation of this Article shall belong to the Company, and Directors who cause losses to the Company shall be liable for compensation.

The provisions set out in item (IV) of the second paragraph of this Article shall apply to close family members of a Director and senior management, any enterprise directly or indirectly controlled by a Director and senior management or their close family members, and any connected person who has other relationship with a Director and senior management, who enters into a contract or transaction with the Company.

Article 100 The Directors shall abide by the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed and these Articles, bear the fiduciary duty to the Company, and shall exercise reasonable care that managers shall generally exercise, for the best interests of the Company in performing their duties.

The Directors bear the following duties of diligence to the Company:

- (I) to exercise the powers granted by the Company prudently, conscientiously and diligently to ensure that the Company's commercial activities comply with the requirements of national laws, administrative regulations, departmental rules, normative documents and various national economic policies, and that the Company does not conduct any commercial activities beyond the business scope stipulated in the business license;
- (II) to ensure sufficient time and energy to participate in the Company's affairs, and to judge the risks and benefits that may arise from the matters under consideration with care. In principle, Directors should attend the meeting of the Board of Directors in person, and if they must authorize another Director to attend on their behalf for some reasons, they should carefully choose the proxy with specific and clear authorized matters and decision-making intentions, and shall not give carte blanche to the proxy;
- (III) to treat all Shareholders fairly;
- (IV) to keep abreast of the Company's business operation and management, to report relevant issues and risks to the Board of Directors in a timely manner, and not to claim exemption from liability on the grounds that they are unfamiliar with the Company's business or do not understand relevant matters;
- (V) to sign written confirmation opinions on the securities issuance documents and periodic reports of the Company and to ensure that the Company discloses information in a timely and fair manner, and that the disclosed information is true, accurate and complete;
- (VI) to truthfully provide relevant circumstances and information to the Audit Committee, and not to impede the Audit Committee in exercising its functions and powers;
- (VII) to actively promote the compliant operation of the Company, to urge the Company to fulfill its information disclosure obligations, to promptly correct and report the Company's violations, and to support the Company in fulfilling its social responsibilities;

(VIII) other duties of diligence as stipulated by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 101 A Director failing to attend the meetings of the Board of Directors, either in person or by appointing another Director to attend on his/her behalf, for two consecutive times will be deemed incapable of performing his/her duties and the Board of Directors shall make a proposal to the general meeting to remove such Director.

Article 102 A Director may resign before the expiration of his/her term of office. The resignation of a Director shall be tendered in writing to the Company. The resignation shall take effect on the date of receipt of the written resignation by the Company, and the Company shall disclose relevant information as soon as practicable (but no later than 2 trading days).

If the number of members of the Board of Directors of the Company falls below the statutory minimum due to the resignation of a Director, the outgoing Director shall continue to perform his/her duties as a Director in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed and these Articles until the re-elected Director takes office. If a Director proposes to resign, the Company shall complete a by-election within 60 days to ensure that the composition of the Board of Directors and its special committees comply with the provisions of laws and regulations and the Articles of Association of the Company.

Article 103 The Company has established a management system for the resignation of Directors, setting out safeguard measures to pursue accountability and compensation for unfulfilled public commitments and other outstanding matters. When the resignation of a Director becomes effective or the term of office expires, such Director shall complete all handover procedures with the Board of Directors, and his/her fiduciary duty to the Company and the Shareholders shall not be discharged automatically after the end of his/her term of office, but shall remain valid within a reasonable period. The liability that a Director incurred in performing his/her duties during his/her term of office shall not be exempted or terminated by resignation. The obligation to maintain the confidentiality of the Company's trade secrets remains in effect after the end of his/her tenure until such secrets become public information. The duration of other obligations shall be determined in accordance with the principle of fairness, depending on the length of time between the occurrence of the event and the resignation, and the circumstances and conditions under which the relationship with the Company ends.

Article 104 The general meeting may dismiss a Director by ordinary resolution before the expiration of his/her term of office, and the dismissal shall take effect on the date on which the resolution is made, provided that such dismissal shall not prejudice the rights to claim by such Director for any damages pursuant to any contract.

If a Director is dismissed before the expiration of his/her term of office without justifiable reasons, the Director may demand compensation from the Company.

Article 105 No Director may, in his/her personal name, act on behalf of the Company or the Board of Directors without authorization under these Articles or lawful authorization by the Board of Directors. Where a Director acts in his/her personal name, and where a third party would reasonably believe that such Director is acting on behalf of the Company or the Board of Directors, such Director shall declare his/her position and capacity in advance.

Article 106 Where a Director causes damage to others in the performance of his/her duties for the Company, the Company shall be liable for compensation; where the Director has acted with intentional or gross negligence, the Director shall also be liable for compensation.

Directors who violate the provisions of laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed, or these Articles when performing their duties for the Company and cause losses to the Company shall be liable for compensation.

Article 107 The Company may purchase liability insurance against liability incurred by a Director in connection with the performance of his/her duties for the Company during his or her term of office.

After the Company purchases or renews liability insurance for Directors, the Board of Directors shall report to the general meeting on the insured amount, coverage and premium rate of the liability insurance.

Section 2 Board of Directors

Article 108 The Company shall establish a Board of Directors. The Board of Directors consists of 9 Directors, including 5 non-independent Directors, 3 independent Directors and 1 employee representative Director.

The Board of Directors shall have 1 chairperson and 1 vice chairperson, who shall be elected by more than half of all members of the Directors of the Board.

Article 109 The Board of Directors shall exercises the following functions and powers:

- (I) to convene general meeting and report on its work to the general meetings;
- (II) to implement the resolutions passed at general meetings;
- (III) to decide on the Company's business plans and investment proposals;
- (IV) to formulate the Company's profit distribution plans and loss recovery plans;
- (V) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of corporate bonds or other security and listing plans;
- (VI) to prepare plans for the material acquisition, repurchase of the Company's Shares or merger, division, dissolution or change in the form of the Company;

- (VII) to decide on external investment, acquisition or disposal of assets, assets pledge, external guarantee, entrusted wealth management, connected transactions and external donations of the Company within the scope authorized by the general meeting;
- (VIII) to decide on the setup of the Company's internal management organ;
- (IX) to decide on appointment or dismissal of the Company's general manager (president), co-general manager (co-chief executive officer), Board secretary and other senior management, and to decide on their remuneration, rewards and punishments; to decide on appointment or dismissal of the Company's vice president, financial director and other senior management based on the nomination by the general manager (president) and co-general manager (co-chief executive officer), and to decide on their remuneration, rewards and punishments;
- (X) to formulate the Company's basic management system;
- (XI) to formulate proposals for amendment to these Articles;
- (XII) to manage the information disclosure of the Company;
- (XIII) to propose to engage or replace an accounting firm that undertakes audit work for the Company to the general meeting;
- (XIV) to listen to the work report of the general manager (president) and co-general manager (co-chief executive officer) of the Company and inspect their work;
- (XV) to prepare equity incentive scheme and employee stock ownership plan;
- (XVI) other functions and powers stipulated by laws, administrative regulations, departmental rules, normative documents, securities regulatory rules of the place where the Company's Shares are listed or these Articles as well as those as conferred by the general meeting.

Matters beyond the scope of authority of the general meeting shall be submitted to the general meeting for consideration.

Article 110 The Board of Directors shall provide an explanation to the general meeting with respect to the qualified audit opinions issued by the certified public accountants on the Company's financial reports.

Article 111 The Board of Directors shall formulate rules of procedure for the board meetings to ensure the implementation of general meeting resolutions, improve work efficiency, and ensure scientific decision-making.

Article 112 The Board of Directors shall determine the authority for external investments, acquisition and sale of assets, asset pledges, external guarantees, entrusted financial management, connected transactions, external donations, and establish strict review and decision-making procedures. For major investment projects, the Board of Directors shall organize relevant experts and professionals to conduct assessments and report to the general meeting for approval.

Article 113 Unless otherwise provided by the securities regulatory rules of the place where the Company's Shares are listed, the following transactions shall be approved by the Board of Directors:

- (I) transactions with total assets involved accounting for more than 10% of the latest audited total assets of the Company, provided that transactions with total assets involved accounting for more than 50% of the latest audited total assets of the Company or material assets purchased or sold by the Company within one year exceeding 30% of the latest audited total assets of the Company, shall be submitted to the general meeting for consideration; the total assets of the transactions shall be calculated based on the book value and assessed value (whichever is higher), if both exist.
- (II) transactions with amount accounting for more than 10% of the market capitalization of a listed company, provided that transactions with amount accounting for more than 50% of the market capitalization of a listed company shall be submitted to the general meeting for consideration;
- (III) transactions in which the net assets of the subject (such as equity) for the latest accounting year account for more than 10% of the market capitalization of a listed company, provided that transactions in which the net assets of the subject (such as equity) for the latest accounting year account for more than 50% of the market capitalization of a listed company shall be submitted to the general meeting for consideration;
- (IV) transactions that generate profits accounting for more than 10% of the Company's audited net profit for the latest accounting year and the absolute amount of which exceeds RMB1 million, provided that transactions that generate profits accounting for more than 50% of the Company's audited net profit for the latest accounting year and the absolute amount of which exceeds RMB5 million shall be submitted to the general meeting for consideration;
- (V) transactions in which the relevant operating revenue of the subject (such as equity) for the latest accounting year accounts for more than 10% of the Company's audited operating revenue for the latest accounting year and the absolute amount of which exceeds RMB10 million, provided that transactions in which the relevant operating revenue of the subject (such as equity) for the latest accounting year accounts for more than 50% of the Company's audited operating revenue for the latest accounting year and the absolute amount of which exceeds RMB50 million shall be submitted to the general meeting for consideration;

- (VI) transactions in which the relevant net profit of the subject (such as equity) for the latest accounting year accounts for more than 10% of the Company's audited net profit for the latest accounting year and the absolute amount of which exceeds RMB1 million, provided that transactions in which the relevant net profit of the subject (such as equity) for the latest accounting year accounts for more than 50% of the Company's audited net profit for the latest accounting year and the absolute amount of which exceeds RMB5 million shall be submitted to the general meeting for consideration.

Unless otherwise provided by the securities regulatory rules of the place where the Company's Shares are listed, if the figures involved in the calculation of the above indicators are negative, their absolute amounts shall be used for calculation.

Where the Company engages in entrusted wealth management, and it is difficult to perform the review procedures and disclosure obligations for each investment transaction due to factors such as transaction frequency and time constraints, the Company may reasonably estimate the scope, limits and term of the investment, and calculate the percentage of cap to the market value based on the estimated limits, and (II) above shall be applicable. The validity period of such investment limits shall not exceed 12 months, and the transaction amount (including amounts from re-investment of returns from the aforementioned investments) at any point in time during the validity period shall not exceed the investment cap.

If the Company implements a transaction by installments, the above provisions shall be applied on the basis of the total amount of the transaction.

Article 114 In addition to the consideration and approval of more than half of all Directors, the transaction of "provision of financial assistance" of the Company shall also be considered and approved by more than two-thirds of the Directors present at the Board meeting and be disclosed in a timely manner.

Unless otherwise provided by the securities regulatory rules of the place where the Company's Shares are listed, matters relating to financial assistance shall also be submitted to the general meeting for consideration after being approved by the Board of Directors under any of the following circumstances:

- (I) the amount of individual financial assistance exceeds 10% of the latest audited net assets of a listed company;
- (II) the latest financial statements of the grantee indicate that its gearing ratio exceeds 70%;
- (III) the accumulative amount of financial assistance in the last twelve months exceeds 10% of the latest audited net assets of the Company;
- (IV) other circumstances stipulated by the securities regulatory authority of the place where the Company's Shares are listed or the Articles of Association.

If the grantee is a controlled subsidiary within the scope of consolidated statements of the Company, and the other shareholders of such controlled subsidiary do not include the Company's Controlling Shareholder, actual controller and their associates, the preceding two paragraphs may be exempted.

Article 115 If the listed company engages in a transaction to lease in assets or entrust the management of assets, it shall use rent or income as the calculation basis and apply the item (V) of the first paragraph under Article 113 of these Articles.

If the listed company engages in a transaction to lease assets or entrust others to manage assets, it shall use total asset, rent income, or management fee as the calculation basis and apply the items (I) and (V) of the first paragraph under Article 113 of these Articles.

If entrusted operation, leasing in assets, or entrusting others to manage assets or leasing out assets results in a change in the scope of the Company's consolidated financial statements, it shall be regarded as purchasing or selling assets.

Article 116 The Board of Directors shall have the right to approve other external guarantee matters and borrowing matters other than those to be approved by the general meeting as stipulated in Article 45 of these Articles.

When the Board of Directors decides to provide external guarantees, it shall obtain the consent from more than two-thirds of the Directors present at the Board meeting or the approval by the general meeting. The Company shall not provide external guarantees without the approval of the Board of Directors or the general meeting.

Article 117 The chairperson of the Board of Directors shall exercise the following functions and powers:

- (I) to preside over general meetings and to convene and preside over Board meetings;
- (II) to supervise and inspect the implementation of resolutions of the Board of Directors;
- (III) to exercise the powers of the legal representative;
- (IV) to nominate the Company's general manager (president), co-general manager (co-chief executive officer) and Board secretary;
- (V) to sign share certificates, debentures and other marketable securities of the Company;
- (VI) to sign important documents of the Board of Directors and other documents that shall be signed by the Company's legal representative;
- (VII) other powers as conferred by the Board of Directors.

Article 118 The vice chairperson of the Board of Directors of the Company shall assist the chairperson in performing duties. In the event that the chairperson is unable to or fails to perform his/her duties, his/her duties shall be performed by the vice chairperson on his/her behalf; in the event that the vice chairperson is unable to or fails to perform his/her duties, a Director elected by more than half of all the Directors shall perform the duties.

Article 119 Regular Board meetings shall be held at least four times a year, generally once a quarter, of which written notices shall be served to all Directors at least 14 days prior to the meeting.

The chairperson of the Board of Directors shall convene an extraordinary meeting of the Board of Directors within 10 days after receiving a proposal in any of the following circumstances:

- (I) proposed by the Shareholders representing more than one tenth of voting rights of the Company;
- (II) proposed jointly by more than one-third of the Directors;
- (III) proposed by the Audit Committee;
- (IV) deemed as necessary by the chairperson of the Board of Directors;
- (V) proposed by more than half of the independent Directors;
- (VI) other circumstances as stipulated by the laws, administrative regulations, departmental rules, normative documents and these Articles.

Article 120 Notice shall be given to all the Directors 5 days prior to the convening of an extraordinary meeting of the Board of Directors. In case of emergency, with the consent of more than half of all the Directors, the convening of an extraordinary meeting of the Board of Directors shall not be subject to the aforesaid time limit of notice of the meeting, provided that notice shall be given within a reasonable time limit.

Article 121 Notices of the meetings of the Board of Directors shall be served by any of the following means:

- (I) a notice convening a meeting shall be in writing, including delivery by hand, registered mail, fax, telegram or e-mail;
- (II) a notice convening an extraordinary meeting shall be, in principle, in writing, or by telephone in case of emergency with a supplementary written notice delivered after the meeting.

Article 122 The notice of meetings of the Board of Directors shall include the following particulars:

- (I) date and venue of the meeting;
- (II) duration of the meeting;
- (III) subject matter and topic of the meeting;
- (IV) the date on which the notice was sent.

Article 123 In principle, the Board meeting shall be convened by way of onsite meetings. The Board meeting may be convened through telephone, video and other methods on such a premise that Directors may fully give their opinions. An extraordinary Board meeting may be convened and a resolution may be made by means of written transmission and signature, which shall be signed by the Directors attending the meeting on such a premise that Directors may fully give their opinions.

Article 124 The Board meeting shall be attended by the Directors in person. If a Director is unable to attend the meeting for certain reasons, he/she may authorize other Director in writing to attend the meeting on his/her behalf. A power of attorney shall indicate the name of the proxy, entrusted matters, scope of authorization and term of validity, and shall be signed or sealed by the appointer. The appointed Director attending the meeting shall exercise the rights of a Director within the scope of authorization. If a Director does not attend the Board meeting, and does not authorize any representatives to attend the meeting, he/she shall be deemed to have waived the voting right at the meeting.

A Director shall not accept the entrustment of more than two Directors, nor shall he/she entrust a Director who has accepted the entrustment of two other Directors to attend on their behalf.

Article 125 The Board meeting may be held when more than half of all Directors attend. Resolutions made by the Board of Directors shall be passed by votes of more than half of all Directors.

A vote at the Board meeting may be taken by a show of hands, orally or by open ballot. Resolutions of the Board meeting are voted by way of poll in which each Director shall have one vote.

Article 126 A Director who has connected relationship with the companies or individuals involved in any matters in the resolution of the Board meeting shall report to the Board of Directors in writing on a timely basis. The Director with connected relationship shall not cast his/her votes on such resolution, nor exercise voting rights on behalf of other Directors. Such Board meeting shall proceed with more than half of the non-interested Directors present, and resolutions of such meeting shall be passed by more than half of the non-interested Directors. In the event that the number of non-interested Directors present at the Board meeting is less than three, such matter shall be considered by a general meeting.

Article 127 The Board of Directors shall prepare minutes of the decisions on the matters discussed at the meeting, and the Directors present at the meeting shall sign the minutes. The meeting minutes of the Board of Directors shall be kept as archives of the Company for a period of not less than ten years.

Article 128 The meeting minutes of the Board of Directors shall include the following particulars:

- (I) date and venue of the meeting and the name of the convener;
- (II) names of the Directors present and the names of Directors (proxies) entrusted by others to attend the Board of Directors meeting;
- (III) meeting agenda;
- (IV) key points of the Directors' speeches;
- (V) the manner of voting and the result of each resolution (the result of the vote shall indicate the number of votes for, against or abstentions);

Section 3 Independent Directors

Article 129 The independent Directors shall conscientiously perform their duties in accordance with the provisions of the laws, administrative regulations, the CSRC, the Stock Exchange, the securities regulatory rules of the place where the Company's Shares are listed and these Articles, play a role in participation in decision-making, and provision of supervision and checks and balances, and professional consultation to the Board of Directors, safeguard the overall interests of the Company and protect the legitimate rights and interests of minority Shareholders.

Article 130 Independent Directors shall maintain their independence. The following persons are not allowed to serve as independent Directors:

- (I) any person who holds a position in the Company or its subsidiaries, and his/her spouse, parents and children, and persons have major social relations with him/her;
- (II) any natural-person Shareholder who directly or indirectly holds more than one percent of the issued Shares of the Company or who is among the top 10 Shareholders of the Company, and his/her spouse, parents and children;
- (III) anyone who works for the Shareholders who directly or indirectly hold more than five percent of the issued Shares of the Company or who are among the top five Shareholders of the Company, and his/her spouse, parents and children;
- (IV) any person who holds a position in a subsidiary of the Controlling Shareholder and actual controller of the Company, and his/her spouse, parents and children;

- (V) any person who has significant business dealings with the Company and its Controlling Shareholder, actual controller or their respective subsidiaries, or who holds a position in entities that have significant business dealings with the Company and the controlling shareholder or actual controller of such entities;
- (VI) any person who provides financial, legal, consulting, sponsoring and any other service to the Company, its Controlling Shareholders, actual controller or their respective subsidiaries, including but not limited to all members of the project team of the intermediaries providing such services, reviewers at all levels, persons signing the reports, partners, directors, senior management and key responsible persons;
- (VII) any person who has fallen under any of the circumstances listed in (I) to (VI) in the past twelve months;
- (VIII) other persons who are not independent as stipulated in the laws, administrative regulations, the CSRC requirements, business rules of the Stock Exchange, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

The subsidiaries of the Controlling Shareholder or actual controller of the Company as mentioned in (IV) to (VI) above do not include those enterprises that are under control of the same state-owned asset administration authority with the Company and do not have a connected relationship with the Company in accordance with relevant provisions.

Independent Directors shall conduct an annual self-examination on their independence and submit the results to the Board of Directors. The Board of Directors shall evaluate the independence of the incumbent independent Directors each year and give opinion in this regard, which shall be disclosed together with the annual report.

Article 131 The following conditions shall be met to serve as an independent Director of the Company:

- (I) be qualified to be a director of a listed company in accordance with laws, administrative regulations and other relevant requirements;
- (II) comply with the independence requirements set out in these Articles;
- (III) have basic knowledge of the operations of listed companies and be familiar with relevant laws, regulations and rules;
- (IV) have more than five years of working experience in law, accounting or economics necessary to perform the duties of an independent Director;
- (V) have good personal integrity and no major breach of trust or other adverse records;

- (VI) other conditions as stipulated in the laws, administrative regulations, the CSRC requirements, business rules of the Stock Exchange, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 132 As members of the Board of Directors, independent Directors shall bear fiduciary duty and duty of diligence to the Company and all Shareholders and shall perform the following duties with care:

- (I) to participate in the decision-making of the Board of Directors and express a definite opinion on the matters under discussion;
- (II) to supervise potential material conflict of interest between the Company and its Controlling Shareholders, actual controllers, Directors and senior management, and protect the legitimate rights and interests of minority Shareholders;
- (III) to provide professional and objective advice(s) on the Company's operation and development and to promote the decision-making level of the Board of Directors;
- (IV) other duties as stipulated by the laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 133 The independent Directors shall exercise the following special functions and powers:

- (I) to engage independently intermediaries to audit, consult or verify specific matters of the Company;
- (II) to propose to the Board of Directors the convening of an extraordinary general meeting;
- (III) to propose the convening of a Board meeting;
- (IV) to solicit openly Shareholders' rights from Shareholders in accordance with laws;
- (V) to express independent opinions on matters that may prejudice the interests of the Company or minority Shareholders;
- (VI) other functions and powers as stipulated by laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Where an independent Director exercises the functions and powers listed in (I) to (III) above, the independent Director shall obtain the approval of a majority of all independent Directors.

The Company shall disclose in a timely manner if the independent Directors exercise the functions and powers listed in paragraph 1. In the event that the above-mentioned functions and powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 134 The following matters shall be submitted to the Board of Directors for consideration upon obtaining the consent from a majority of all independent Directors of the Company:

- (I) connected transactions that are required to be disclosed;
- (II) plans of the Company and related parties for the modification or waive of their commitments;
- (III) decisions made and measures taken by the Board of Directors of the acquired listed company regarding the acquisition;
- (IV) any other matters as stipulated by the laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 135 The Company has established a mechanism for special meetings attended by all independent Directors. Matters such as connected transactions, which are to be considered by the Board of Directors, shall be approved in advance by a special meeting of the independent Directors.

The Company shall convene special meetings of the independent Directors on a regular or ad hoc basis. Matters specified in (I) to (III) of paragraph 1 of Article 130 and Article 131 shall be considered by the special meeting of the independent Directors.

Other matters of the Company may be considered and discussed at the special meeting of the independent Directors when necessary. A special meeting of the independent Directors shall be convened and presided over by an independent Director jointly elected by a majority of the independent Directors; in the event that the convener fails to or is unable to perform his/her duties, two or more independent Directors may convene a meeting on their own and elect a representative to preside over the meeting.

The special meeting of the independent Directors shall prepare minutes in accordance with regulations, and the opinions of independent Directors shall be recorded in the minutes. Independent Directors shall sign to confirm the minutes.

The Company shall facilitate and support the convening of the special meetings of the independent Directors.

Section 4 Special Committees of the Board of Directors

Article 136 The Board of Directors of the Company shall set up an audit committee to exercise the powers of the board of supervisors as stipulated in the Company Law and authorities stipulated in the securities regulatory rules of the place where the Company's Shares are listed.

Article 137 The Audit Committee shall be composed of three non-executive Directors who do not hold senior management positions in the Company, more than half of whom shall be independent Directors (of which at least one independent Director is a professional in accounting) and they shall not have any relationship with the Company that could affect their independent and objective judgment. The convener shall be an accounting professional among the independent Directors, at least one of whom is an independent Director with appropriate professional qualifications in accordance with the securities regulatory rules of the places where the Company's Shares are listed, or appropriate accounting or related financial management expertise.

Article 138 The main responsibilities of the Audit Committee are to review the financial information of the Company and its disclosure, supervise and evaluate internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for consideration after being agreed by more than half of all members of the Audit Committee:

- (I) to disclose the financial information in financial and accounting reports and periodic reports, and internal control evaluation reports;
- (II) to appoint, reappoint, or dismiss the accounting firm that undertakes the audit work of the Company, to approve the remuneration and terms of engagement of the accounting firm, and to deal with any issues relating to the resignation or dismissal of the accounting firm;
- (III) to appoint or dismiss the financial director of the Company;
- (IV) to revise accounting policies and accounting estimates or to correct material accounting errors for reasons other than changes in accounting standards;
- (V) other matters stipulated by laws and regulations, relevant provisions of Shanghai Stock Exchange, securities regulatory rules of the place where the Company's Shares are listed, the Articles of Association and authorized by the Board of Directors.

Article 139 The Audit Committee shall convene at least one meeting each quarter. An extraordinary meeting maybe convened when it is proposed by two or more members, or when the convener deems necessary. The quorum for any meeting of the Audit Committee shall be two-thirds of its members.

Resolutions proposed by the Audit Committee require affirmative votes by a majority of the members of the Audit Committee.

Each member shall have one vote when voting on a resolution of the Audit Committee.

Resolutions of the Audit Committee shall be recorded in the minutes as required, and the members of the Audit Committee present at the meeting shall sign the minutes.

The Board of Directors is responsible for formulating the working procedures of the Audit Committee.

Article 140 The Board of Directors of the Company shall set up a Nomination Committee, a Remuneration and Evaluation Committee, and a Strategy and ESG Committee, which shall fulfill their duties in accordance with the securities regulatory rules of the place where the Company's Shares are listed, these Articles and the authorization of the Board of Directors. The proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. The Board of Directors shall be responsible for formulating the working procedures of the special committees. More than half of the members of the Nomination Committee and the Remuneration and Evaluation Committee shall be independent Directors. The Nomination Committee shall have at least one Director of different gender. The Nomination Committee shall be convened by an independent Director or the chairman of the Board, and the Remuneration and Evaluation Committee shall be convened by an independent Director.

Article 141 The Nomination Committee shall comprise three Directors with a majority of independent Directors, and at least one member of which is a Director of a different gender. The Nomination Committee is responsible for formulating the criteria and procedures for selecting Directors and senior management, selecting and reviewing the candidates and qualifications of Directors and senior management, and making recommendations to the Board of Directors on the following:

- (I) to review the structure, size and composition (including the skills, knowledge, and experience) of the Board of Directors at least annually, assist the Board of Directors in maintaining a board skillset, and make recommendations on any proposed changes to the Board of Directors to align with the Company's corporate strategy;
- (II) identification of individuals with appropriate qualification to become Board members, selection or making recommendations to the Board of Directors on the selection of individuals nominated for directorships;
- (III) nomination, appointment, removal or re-appointment of Directors and make succession planning for Directors (in particular the chairperson, the general manager (president) and co-general managers (co-chief executive officers));
- (IV) appointment or dismissal of senior management;
- (V) assessing the independence of independent Directors;
- (VI) supporting the Company's regular evaluation of the Board's performance;

- (VII) other matters stipulated by the laws, administrative regulations, the CSRC requirements, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting them in a resolution of the Board of Directors and disclose the same.

Article 142 The Remuneration and Evaluation Committee shall comprise three Directors with a majority of independent Directors. The Remuneration and Evaluation Committee shall be responsible for formulating appraisal standards for Directors and senior management and conducting appraisals, formulating and reviewing remuneration policies and plans for Directors and senior management, and making recommendations to the Board of Directors on the following:

- (I) remuneration of Directors and senior management;
- (II) formulation of or amendment to equity incentive scheme or employee stock ownership plan, including the entitlements of participants and the conditions for exercising such rights;
- (III) arrangements for Directors and senior management to participate in shareholding plans of subsidiaries proposed for spin-off;
- (IV) other matters stipulated by the laws, administrative regulations, the CSRC requirements, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association.

If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Evaluation Committee, it shall record the opinions of the Remuneration and Evaluation Committee and the specific reasons for not adopting them in a resolution of the Board of Directors and disclose the same.

Article 143 The Strategy and ESG Committee shall comprise three Directors. The primary duties and authorities of the Strategy and ESG Committee are as follows:

- (I) reviewing the overall development strategy plan of the Company and each of its specific strategic development plans, and making recommendations to the Board of Directors;
- (II) evaluating the overall development status of various businesses of the Company, and making timely recommendations to the Board of Directors regarding adjustment to the strategic development plan;
- (III) reviewing the business plan, investment and financing plans of the Company, and making recommendations to the Board of Directors;

- (IV) reviewing the annual budget and final accounts, and making recommendations to the Board of Directors;
- (V) supervising and inspecting the implementation of the business and investment plans of the Company;
- (VI) evaluating the governance of the Company, and making recommendations to the Board of Directors;
- (VII) other matters stipulated by laws, regulations, rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed and the Articles of Association and authorized by the Board of Directors.

Chapter 6 Senior Management

Article 144 The Company has 1 general manager (president) or 2 co-general managers (co-chief executive officers), and several executive vice presidents/senior vice presidents/vice presidents. The general manager (president), co-general manager (co-chief executive officer) and Board secretary of the Company shall be nominated by the chairman, and the executive vice president/senior vice president/vice president, financial director and other senior management shall be nominated by the general manager (president) and co-general manager (co-chief executive officer), and shall be appointed or dismissed by the Board of Directors.

Article 145 The circumstances of disqualification for Directors and the management system on dismissal stipulated in these Articles shall also be applicable to the senior management.

The fiduciary duty and the duty of diligence of Directors stipulated in these Articles shall also apply to the senior management concurrently.

Article 146 Persons who hold administrative positions other than directors or supervisors in the Controlling Shareholder of the Company shall not serve as senior management of the Company. Senior management of the Company shall receive salaries solely from the Company and shall not have their salaries paid by the Controlling Shareholder on behalf of the Company.

Article 147 The general manager (president), co-general managers (co-chief executive officers) and other senior management shall serve a term of three years, and may serve consecutive terms if re-appointed.

Article 148 The general manager (president) and co-general managers (co-chief executive officers) shall be accountable to the Board of Directors and exercise the following functions and powers:

- (I) be in charge of the production and operational management of the Company, organize the implementation of resolutions of the Board of Directors and report to the Board of Directors on work;
- (II) organize the implementation of the annual operation plans and investment proposals of the Company;

- (III) formulate the internal management structure proposal of the Company;
- (IV) formulate the fundamental management systems of the Company;
- (V) formulate the specific rules of the Company;
- (VI) propose to the Board of Directors the appointment or dismissal of the Company's vice president, financial director and other senior management other than the Board secretary;
- (VII) decide on the appointment or dismissal of management personnel, except for those who shall be appointed or dismissed by the Board of Directors;
- (VIII) other functions and powers stipulated by laws, administrative regulations, departmental rules, normative documents and these Articles or granted by the general meeting and the Board of Directors.

The general manager (president) and co-general managers (co-chief executive officers) shall attend the Board meeting.

Article 149 The Company shall formulate the scope of work for the general manager (president) and co-general managers (co-chief executive officers), and such scope of work shall be reported to the Board of Directors for approval and to be implemented upon approval.

The scope of work for the general manager (president) and co-general managers (co-chief executive officers) shall specify, among others:

- (I) conditions for convening, proceedings at and attendees of the meetings by the general manager (president);
- (II) respective duties and responsibilities and division of labor of the general manager (president), co-general managers (co-chief executive officers) and other senior management;
- (III) application of the funds and assets of the Company, authority to enter into material contracts, and the system for reporting to the Board of Directors;
- (IV) other matters that the Board of Directors deems necessary.

Article 150 The general manager (president) and co-general managers (co-chief executive officers) may resign before the expiration of their term of office. Details of procedures and measures for the resignation of general manager (president) and co-general managers (co-chief executive officers) shall be stipulated in the labor contract between the general manager (president) and co-general managers (co-chief executive officers) with the Company.

Article 151 Other senior management members shall exercise the following functions and powers:

- (I) assisting the general manager (president) and co-general managers (co-chief executive officers) in the operation and management;

- (II) being responsible for the work within the scope of responsibility;
- (III) when the general manager (president) and co-general managers (co-chief executive officers) are unable to perform their duties for any reasons, acting as the general manager (president) and co-general managers (co-chief executive officers) under the authorization of the general manager (president) and co-general managers (co-chief executive officers);
- (IV) other functions and powers delegated by the general manager (president) and co-general managers (co-chief executive officers).

Article 152 The Company shall have a Board secretary, who shall be responsible for the preparation of the general meeting and Board meeting, keeping of documents and the information management of the Shareholders of the Company and shall deal with information disclosure and other matters.

The Board secretary shall comply with the relevant provisions of the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 153 The Company shall be liable for any damages caused to others by the senior management in the performance of their duties for the Company; the senior management who acts intentionally or with gross negligence, he/she shall also bear liability for such damages.

Any senior management who violates the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed or these Articles in performing his/her duties in the Company shall indemnify the Company for the losses arising therefrom.

Article 154 The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all Shareholders. Any senior management of the Company who fails to faithfully perform his/her duties or breaches the fiduciary duty shall indemnify the Company and the public Shareholders for the damage arising therefrom according to law.

Chapter 7 Party Organization

Article 155 According to the provisions of the Party Constitution, the Company shall set up a committee of Nexchip Semiconductor Corporation, with one secretary of the Party committee and several members of the Party committee. The secretary to the Party committee serves as a Director of the Company, participates in the Board of Directors, and focuses on the Party building work of the enterprise.

Article 156 The Company shall establish a working institution of the Party, arrange staff for Party affairs, set up institutional structures for the Party organization, incorporate staff arrangement into corporate arrangement of the Company's management structure, include the operating expenses of the Party organization in the Company's budget and charge such expenses to the Company's administration expense.

Article 157 The Party committee of the Company shall, in accordance with the Party Constitution and other internal rules of the Party, perform its responsibilities.

- (1) upholding the exercise of strict self-governance in every aspect, carrying out the work in accordance with the Party Constitution and other Party regulations.
- (2) ensuring and supervising the Company's implementation of guidelines and policies of the Party and the State, and implementing major work arrangements of the Party organizations at higher levels.
- (3) supporting the Shareholders, the Board of Directors and the management in exercising their duties and powers according to law.
- (4) studying and discussing the Company's reform, development and stability, major operation and management matters and major issues involving the personal interests of the staff, and providing suggestions.
- (5) studying and arranging Party construction work of the Company, strengthening the self-construction of Party organizations, guiding the ideological and political work, the build of spiritual civilization, and works of Labor Union, Communist Youth League of the Company.

Chapter 8 Financial and Accounting System, Profit Distribution and Audit

Section 1 Financial and Accounting System

Article 158 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed and the requirement of relevant regulatory departments of the PRC.

Article 159 The Company shall submit the annual report to the regulatory authorities under the CSRC and the Stock Exchange and disclose it within 4 months from the date of the end of each accounting year, submit its interim report to the regulatory authorities under the CSRC and the Stock Exchange and disclose it within 2 months from the date of the end of the first 6 months of each accounting year.

The above annual and interim reports shall be prepared in accordance with provisions of the relevant laws, administrative regulations, departmental rules, normative documents, the securities regulatory rules of the place where the Company's Shares are listed.

Article 160 The Company shall not have any other accounting books in addition to its statutory accounting books. No accounts shall be opened in the name of any individual for deposit of the assets of the Company.

Article 161 In distributing profit after tax for the year, the Company shall allocate 10% of the profit to its statutory common reserve fund. When the aggregate amount of the statutory common reserve fund of the Company is more than 50% of its registered capital, further appropriations may cease.

If its statutory common reserve fund is not sufficient to make up for losses of the previous years, profit for the year shall be applied to make up for losses before allocation is made to the statutory common reserve fund pursuant to the above provisions.

After withdrawing the statutory common reserve fund from profit after tax, the Company may, through a resolution by the general meeting, withdraw discretionary reserve fund from profit after tax.

The remaining profit after tax shall, after making up for losses and withdrawing the common reserve fund, be distributed in proportion to the number of Shares held by Shareholders.

Where the general meeting distributes profits to Shareholders in violation of the provisions of the Company Law, the Shareholders shall return the profits distributed in violation of the provisions to the Company; where losses are caused to the Company, the Shareholders and the responsible Directors and senior management shall be liable for compensation.

Shares of the Company held by the Company shall not be entitled to distribution of profit.

Article 162 The common reserve funds of a Company shall be applied to make up for losses of the Company, expand its business operations or be converted to increase the registered capital of the Company. When the Company's losses are made up for with common reserve funds, the discretionary common reserve and statutory common reserve funds shall first be used; if insufficient, the capital common reserve funds may be used according to the provisions.

Upon the conversion of the statutory common reserve funds into increase of registered capital, the balance of the statutory common reserve funds shall not be less than 25% of the registered capital of the Company before such conversion.

Article 163 The distribution of dividends (or Shares) shall be completed within 2 months after the general meeting of the Company has made a resolution on the profit distribution plan, or after the Board of Directors of the Company has formulated a specific plan based on the conditions and caps of interim dividends for the next year considered and approved by the annual general meeting.

Article 164 The Company has established a sustainable and stable return mechanism for investors based on its own profitability and the actual needs of its future business development strategy. The Board of Directors and the general meeting shall give full consideration to the opinions of independent Directors and public investors in the decision-making and discussion of profit distribution policies.

The Company's profit distribution policy is as follows:

- (I) The distribution of the Company's profit shall not exceed its accumulated distributable profit nor damage the Company's ability to continue as a going concern;
- (II) The Company may distribute profits in the forms of cash, stocks, a combination of cash and stocks, other methods permitted by laws, administrative regulations, departmental rules and normative documents; cash dividends shall take precedence over stock dividends and the objective of the Company's cash dividend policy is to steadily increase dividends; the Company shall prioritize to distribute profits in cash dividends when conditions for cash dividends are met.
- (III) Where the Company intends to distribute dividends in cash, it shall meet the following conditions:
 - 1. The distributable profit (i.e. the after-tax profit of the Company after making up for losses and appropriation of reserves) realized by the Company in a year is positive, and the cash flow is sufficient, and the distribution of cash dividends will not affect the Company's subsequent ability to continue as a going concern;
 - 2. The accumulated distributable profit of the Company is positive;
 - 3. The auditor issues a standard unqualified audit report on the annual financial report of the Company;
 - 4. The Company has no major investment plans or significant cash expenditure (except for projects funded by proceeds raised);

Major investment plans or significant cash expenditure refer to investment plans or expenditure for planned construction project, external investment, acquisition of assets or purchase of equipment and other transactions of the Company within the next 12 months in total reaching or exceeding 10% of the latest audited net assets of the Company and the absolute amount exceeds RMB50 million; or external investment, acquisition of assets and other transactions within the next 12 months in total reaching or exceeding 5% of the latest audited total assets of the Company.
- (IV) Subject to the satisfaction of the above cash dividend conditions, the Company shall actively distribute profits in cash. In principle, cash dividends shall be distributed annually, and the Board of Directors of the Company may propose the Company to distribute interim cash dividends according to the Company's profit and capital requirements;
- (V) The Company shall maintain the continuity and stability of the profit distribution policy, and subject to the satisfaction of the aforementioned cash dividend conditions, the annual profit distributed in cash shall not be less than 10% of the distributable profit realized in the current year under the consolidated financial statements;

(VI) The Board of Directors of the Company shall comprehensively consider factors such as industry characteristics, development stage, its own business model, debt servicing ability, profitability, whether there are significant capital expenditure arrangements and investor returns, distinguish the following situations, and propose differentiated cash dividend policies in accordance with the procedures stipulated in these Articles:

1. If the Company's development stage is in a mature stage and there is no major capital expenditure arrangement, when making profit distribution, the proportion of cash dividends in this profit distribution should reach at least 80%;
2. If the Company's development stage is in a mature stage and there are major capital expenditure arrangements, when making profit distribution, the proportion of cash dividends in this profit distribution should reach at least 40%;
3. If the Company's development stage is in the growth stage and there are major capital expenditure arrangements, when making profit distribution, the proportion of cash dividends in this profit distribution should reach at least 20%;

If the development stage of the Company is not easy to distinguish but there is a major capital expenditure arrangement, the provisions of the preceding paragraph shall prevail.

(VII) If the Company's audit report for the latest year is not unqualified or unqualified with material uncertainties related to going concern, or the asset-liability ratio is higher than 70%, or the net operating cash flow is negative, profit distribution may not be made.

Article 165 The Company shall perform the following decision-making procedures for profit distribution:

- (I) The annual profit distribution plan of the Company shall be proposed and stipulated by the Board of Directors of the Company in light of the provisions of these Articles, profitability and capital requirements, and shall be submitted to the general meeting for consideration after being considered and approved by the Board of Directors;
- (II) When formulating the specific plan for cash dividends, the Board of Directors shall carefully study and discuss the timing, conditions and minimum proportion, the conditions for adjustment and the requirements of decision-making procedures of cash dividends of the Company, etc. Independent Directors have the right to express independent opinions if they believe that the specific plan for cash dividends may damage the rights and interests of listed companies or minority Shareholders. If the Board of Directors has not adopted or not fully adopted the opinions of the independent Directors, the opinions of the independent Directors and the specific reasons for the non-adoption shall be recorded in the resolution of the Board of Directors and disclosed;

- (III) When the general meeting considers the specific plan for cash dividend distribution, the Company shall actively communicate and exchange with Shareholders, especially minority Shareholders, through various channels, fully listen to the opinions and demands of minority Shareholders, and timely answer the concerns of minority Shareholders;
- (IV) In the event that the cash dividend conditions are satisfied in the current year, the Board of Directors shall also explain the reasons and disclose the information in the annual report if a plan for the distribution of profits in cash is not proposed;
- (V) The Audit Committee supervises the implementation of the cash dividend policy and Shareholders' return plan and whether the corresponding decision-making procedures and information disclosure are performed by the Board of Directors. If the Audit Committee finds the Board of Directors has failed to strictly implement the cash dividend policy and Shareholders' return plan, failed to strictly implement the corresponding decision-making procedures or failed to disclose corresponding information truthfully, accurately and completely, it shall express clear opinions and urge the Board of Directors to rectify in a timely manner;
- (VI) The general meeting shall vote on the profit distribution plan proposed by the Board of Directors in accordance with the provisions of laws, administrative regulations, departmental rules, normative documents and these Articles.
- (VII) When the Company convenes the annual general meeting to consider the annual profit distribution plan, it may consider and approve the conditions, upper limit of proportion and upper limit of amount of interim cash dividends for the next year. The upper limit of interim dividend of next year considered at the annual general meeting shall not exceed the net profit attributable to Shareholders of the Company for the corresponding period. The Board of Directors formulates a specific interim dividend plan in accordance with the resolution of the general meeting subject to the conditions of profit distribution.

If it is necessary to adjust the profit distribution policy due to the Company's operating conditions, investment planning and needs for long-term development, the adjusted profit distribution policy shall not violate relevant regulations of the CSRC and the Stock Exchange. The resolution to adjust the profit distribution policy shall be considered by the Board of Directors before submission to the general meeting of the Company for approval, and shall be passed by more than two-thirds of the voting rights held by Shareholders attending the general meeting. The Company shall also provide an online voting method to facilitate minority Shareholders in participating in voting of the general meeting.

Section 2 Internal Audit

Article 166 The Company has an internal auditing system in place, which clearly defines the leadership system, responsibilities and authorities, staffing, funding security, use of audit results, and accountability in relation to internal audit work.

The Company's internal audit system shall be implemented upon approval by the Board of Directors and disclosed to the public.

Article 167 The Company's internal audit department shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit department shall maintain its independence and be equipped with full-time auditors, and shall not be under the leadership of the finance department or co-office with the finance department.

Article 168 The internal audit department shall be responsible to the Board of Directors.

The internal audit department shall accept the supervision and guidance of the Audit Committee in the process of supervising and inspecting the Company's business activities, risk management, internal control and financial information. The internal audit department shall report to the Audit Committee directly as soon as any relevant material problems or clues are come to their knowledge.

Article 169 The internal audit department shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report and relevant information issued by the internal audit department and reviewed by the Audit Committee.

Article 170 When the Audit Committee communicates with external audit units such as accounting firms and national audit institutions, the internal audit department shall actively cooperate and provide necessary support and cooperation.

Article 171 The Audit Committee shall participate in the assessment of the person in charge of internal audit.

Section 3 Engagement of Accounting Firm

Article 172 The Company shall engage an accounting firm that complies with the Securities Law and the securities regulatory rules of the place where the Company's Shares are listed to audit the financial statements, verify the net assets and provide other relevant consulting services. The term of service shall be 1 year, which is renewable upon expiry.

Article 173 The engagement or dismissal of the accounting firm by the Company shall be determined by the general meeting. The Board of Directors may not engage an accounting firm before the decision by the general meeting.

Article 174 The audit fee for the accounting firm shall be determined by the general meeting.

Article 175 The Company shall guarantee to provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials to the accounting firm it engages, and shall not refuse to do so, conceal the facts or make false reports thereon.

Article 176 When the Company dismisses or does not renew the engagement of an accounting firm, it shall give 10 days' advance notice to such accounting firm. Where the general meeting votes on the dismissal of an accounting firm, the accounting firm shall be allowed to express its opinion.

If the accounting firm proposes to resign, it shall make a representation to the general meeting as to whether the Company has any irregularity.

Chapter 9 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 177 The Company may merge through merger by absorption or through the establishment of a new entity.

Absorption means that a company absorbs and merges with another company and the absorbed company shall be dissolved. Where two or more companies merge into a new entity, the original companies shall be dissolved.

If the Company merges with a company with more than 90% shareholding, the merged company may not be subject to a resolution of the general meeting, but shall notify other Shareholders, who shall have the right to request the Company to acquire its equity or shares at a reasonable consideration.

If the consideration paid by the Company does not exceed 10% of the net assets of the Company, it may not be resolved by the general meeting.

Where the Company merges in accordance with the provisions of the preceding two paragraphs without approval by a resolution of the general meeting, such merger shall be subject to the resolution of the Board of Directors.

Article 178 In the event of a merger of the Company, the merged parties shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall inform its creditors within 10 days and publish an announcement on the newspaper or the National Enterprise Credit Information Publicity System within 30 days after approving the merger resolution. The creditors may require the Company to pay off the debts or to provide corresponding guarantee within 30 days of the receipt of the notice, or within 45 days upon the date of the announcement if they do not receive the notice.

Upon merger of the Company, the claims and debts of each of the merged parties shall be assumed by the surviving company or the newly established company.

Article 179 Where there is a division of the Company, its properties shall be divided accordingly.

In the case of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall inform its creditors within 10 days and publish an announcement on the newspaper or the National Enterprise Credit Information Publicity System within 30 days after the resolution on division is approved.

Debts of the Company prior to the division shall be jointly assumed by surviving companies after division, unless otherwise agreed by a written agreement entered into between the Company and its creditors in relation to the settlement of debts before division.

Article 180 Where the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify the creditors within 10 days upon the resolution on the reduction in the registered capital is approved by the general meeting and publish an announcement on the newspaper or the National Enterprise Credit Information Publicity System within 30 days. The creditors shall be entitled to require the Company to pay off the debts or to provide corresponding guarantee within 30 days of the receipt of the notice, or within 45 days upon the date of the announcement if they do not receive the notice.

Where the Company reduces its registered capital, the amount of capital contribution or Shares shall be reduced correspondingly in proportion to the Shares held by its Shareholders, unless otherwise provided by laws or these Articles.

Article 181 If the Company still has losses after making up for them in accordance with the provisions of the first paragraph of Article 160 of these Articles, it may reduce its registered capital to make up for such losses. Where the registered capital is reduced to make up for losses, the Company shall not make distributions to Shareholders, nor shall it exempt Shareholders from their obligations to make capital contributions or pay for Shares.

Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of the second paragraph of Article 180 of these Articles shall not apply; however, the Company shall publish an announcement on the newspaper or the National Enterprise Credit Information Publicity System within 30 days upon the resolution on the reduction in the registered capital is approved by the general meeting.

After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the accumulated amount of the statutory common reserve fund and the discretionary common reserve funds reaches 50% of the Company's registered capital.

Article 182 If the reduction of the registered capital is in violation of the Company Law and other relevant provisions, Shareholders shall return the funds they have received and the reduced capital contribution of the Shareholders shall be restored to its original amount; where losses are caused to the Company, the Shareholders and the responsible Directors and senior management shall be liable for compensation.

Article 183 Where an increase in registered capital of the Company is made by means of issue of new Shares, the Shareholders shall not have any pre-emptive right unless otherwise provided in these Articles or the general meeting resolves that the Shareholders shall have pre-emptive right.

Article 184 Changes in particulars of the Company due to merger or division shall be registered with the company registration authority in accordance with the laws. Where the Company is dissolved, the Company shall apply for its deregistration in accordance with the laws. Where a new company is established, the Company shall apply for registration thereof in accordance with the laws.

The increase or reduction in the registered capital by the Company shall be registered with the company registration authority in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 185 The Company shall be dissolved by reason of the following:

- (I) the events of dissolution specified in these Articles have occurred;
- (II) the general meeting resolves to dissolve the Company;
- (III) the Company is dissolved by reason of merger or division;
- (IV) the business license is revoked in accordance with the laws, the Company is ordered to close down or be dissolved;
- (V) the Company is dissolved by the people's court in response to the petition filed by Shareholders who hold more than 10% of the voting rights of the Company, on the grounds that the Company suffers significant hardship in its operation and management that cannot be resolved through other means, and the ongoing existence of the Company would cause significant losses to Shareholders.

If any event of dissolution as specified in the preceding paragraph occurs, the Company shall publish an announcement of the events of dissolution through the National Enterprise Credit Information Publicity System or other media within 10 days.

Article 186 Under the circumstances set out in (I) and (II) of Article 185 of these Articles, the Company may carry on its existence by amending these Articles or with approval by resolution of the general meeting, provided that the Company has not distributed its property to the Shareholders.

Any amendment to these Articles or resolution of the general meeting under the preceding paragraph shall be subject to the approval of more than two-thirds of voting rights of Shareholders attending the general meeting.

Article 187 Where the Company is to be dissolved pursuant to the provisions of (I), (II), (IV) or (V) of Article 185 of these Articles, it shall be liquidated. The Directors, who are the liquidation obligors of the Company, shall form a liquidation team within 15 days from the date of occurrence of such events of dissolution to proceed with the liquidation process.

The liquidation team shall be composed of Directors, unless otherwise provided for in these Articles or another person is elected by resolution of the general meeting.

The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the Company or the creditors.

Article 188 The Company shall be liquidated in accordance with the first paragraph of the proceeding Article. If a liquidation team is not established within a specified period or the established team fails to proceed with liquidation, the stakeholders may apply to the people's court for the appointment of relevant persons to form the liquidation team for liquidation.

Where the Company is dissolved due to (IV) of Article 185 of these Articles, the department or the company registration authority that made the decision to revoke the business license, order to close down or dissolve may apply to the people's court for the appointment of relevant persons to form the liquidation team for liquidation.

Article 189 During the liquidation period, the liquidation team shall exercise the following functions and powers:

- (I) to sort out the Company's assets and prepare a balance sheet and an inventory of assets;
- (II) to send notices to creditors or notify them by way of announcement;
- (III) to deal with any unfinished business related to the liquidation of the Company;
- (IV) to pay all outstanding taxes and the taxes arising during the liquidation process;
- (V) to settle claims and debts;
- (VI) to distribute the remaining assets after the Company's debts have been repaid;
- (VII) to represent the Company in any civil litigation proceedings.

Article 190 The liquidation team shall notify the creditors within 10 days after its establishment, and publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their claims to the liquidation team within 30 days of the date on which the notice is received or 45 days of the date of announcement if no notice is received.

Creditors who file claims shall state matters relating to their claims with supporting documents. The liquidation team shall register the creditor's claims.

During the period of filing claims, no settlement shall be made by the liquidation team to creditors.

Article 191 After sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation team shall formulate a liquidation plan and present it to a general meeting or to the people's court for confirmation.

The remaining assets of the Company after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, compensation or payment of insurance benefits, outstanding taxes and the Company's debts, shall be distributed to Shareholders according to the proportion of their shareholdings.

During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation. The assets of the Company shall not be distributed to Shareholders before the settlement in accordance with the aforesaid provisions.

Article 192 Following the completion of liquidation, the liquidation team shall present a report on liquidation which shall be submitted to the general meeting or the people's court for confirmation, and shall submit the same to the company registration authority, apply for deregistration of the Company and announce the termination of the Company.

Article 193 The members of the liquidation team shall perform their liquidation duties and assume fiduciary duty and duty of diligence.

Any member of the liquidation team who caused any loss to the Company due to his/her negligence of liquidation duties shall be liable for compensation, and who caused any loss to the Company or any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Article 194 If, after sorting out the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation team discovers that the Company's assets are insufficient to repay the Company's debts in full, the liquidation team shall apply to the people's court for a declaration of insolvency liquidation.

After the Company is declared insolvent by a ruling of the people's court, the liquidation team shall turn over liquidation matters to the receiver appointed by the people's court.

Article 195 Where the Company is declared bankrupt in accordance with the laws, bankruptcy liquidation shall be conducted pursuant to the laws on bankruptcy of enterprises.

Chapter 10 Notice

Section 1 Notice

Article 196 The notices of the Company shall be served as follows:

- (I) by hand;
- (II) by post;
- (III) by announcement;
- (IV) by other means as approved by the relevant regulatory authorities of the place where the Company's Shares are listed, or as provided for in the securities regulatory rules of the place where the Company's Shares are listed and these Articles.

Article 197 Notices issued by the Company by way of announcement shall be deemed to have been received by all relevant persons upon such announcement being made. Notice of a general meeting of the Company shall be served by announcement. Notice of a Board meeting of the Company shall be served by the means prescribed in Article 196. Notice of other meeting of the Company shall be served by the means prescribed in Article 196.

Article 198 With respect to the manners in which the Company provides and/or distributes corporate communications to its H Shareholders in accordance with the listing rules of the place where the Company's Shares are listed, the Company may send or provide corporate communications to its H Shareholders by electronic means or by publishing information on the website of the Company or the website of the stock exchanges of the place where the Company's Shares are listed, provided that it has complied with the relevant listing rules of the place where the Company's Shares are listed. Where the Company's notice is delivered by hand, it shall be deemed to have been received upon signing (or affixing the seal) by the recipient on the note of receipt and the receipt date shall be the date of service. Where the Company's notice is delivered by post, it shall be deemed to have been received on the fifth working day after the date the notice is delivered to the post office. Where the Company's notice is delivered by e-mail, it shall be deemed to have been received on the date it is sent. Where the Company's notice is delivered by announcement, it shall be deemed to have been received on the date the announcement is first published.

Article 199 The accidental omission to give notice of a meeting to, or the non-receipt of any notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting or any resolution passed at such meeting.

Section 2 Announcement

Article 200 The Company, in accordance with the requirements of the regulatory authorities, designates at least one designated newspaper (including China Securities Journal) as well as the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>) and the website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) as the media for publishing announcements and other information required to be disclosed by the Company.

The term “announcement(s)” as used in these Articles, unless the context otherwise requires, means, in the case of announcements to A Shareholders or announcements required to be made in the PRC under relevant regulations and these Articles, the publication of information on the website of the Shanghai Stock Exchange and in media that meet the requirements of the CSRC; in the case of announcements to H Shareholders or announcements required to be made in Hong Kong under relevant regulations and these Articles, the announcements must be published on the Company’s website, the website of the Hong Kong Stock Exchange and other websites as may be prescribed by the Hong Kong Listing Rules from time to time in accordance with the relevant requirements of the Hong Kong Listing Rules.

Chapter 11 Amendments to the Articles of Association

Article 201 Amendments shall be made to these Articles in any of the following circumstances:

- (I) after amendments to the Company Law, relevant laws, administrative regulations, departmental rules and normative documents and the securities regulatory rules of the place where the Company’s Shares are listed, there is a conflict between the provisions of these Articles and those of the amended laws, administrative regulations, departmental rules and normative documents and the securities regulatory rules of the place where the Company’s Shares are listed;
- (II) there are changes in the particulars of the Company which are different from those set out in these Articles;
- (III) the general meeting has decided to amend these Articles.

Article 202 Amendments to the Articles adopted by a resolution of the general meeting, which are subject to the approval from competent authority, shall be submitted to the competent authority for approval; if particulars relating to registration of the Company are involved, change of registration shall be completed in accordance with the laws.

Article 203 The Board of Directors shall amend these Articles in accordance with the resolution of the general meeting for amendments to the Articles and the review opinions from the relevant competent authority.

Article 204 The amendments to the Articles of Association are information subject to disclosure as required by laws, administrative regulations, departmental rules and normative documents, and the Company shall publish an announcement in accordance with the provisions.

Chapter 12 Supplementary Provisions

Article 205 Definitions:

- (I) Controlling Shareholder refers to a Shareholder whose shareholding exceeds 50% of the total share capital of the Company; or a Shareholder whose shareholding does not exceed 50% but whose voting rights attached to the Shares held are sufficient to exercise significant influence over resolutions of the general meeting; or the Controlling Shareholders as defined in the securities regulatory rules of the place where the Company's Shares are listed.
- (II) Actual controller refers to a natural person, legal person or other organization that is able to exercise effective control over the acts of the Company through investment relationships, agreements or other arrangements.
- (III) Related relationship refers to the relationship between the Controlling Shareholder, actual controller, Directors and senior management of the Company and the enterprises directly or indirectly controlled by them, as well as other relationships that may lead to the transfer of interests of the Company. However, enterprises controlled by the state shall not be deemed to be related solely because they are controlled by the state. In these Articles, "related relationship" includes not only the above definitions, but also "connected relationship" as defined in the Hong Kong Listing Rules; "related party" and "related person" include the definition of "connected person" under the Hong Kong Listing Rules; and "related transaction" includes a "connected transaction" as defined in the Hong Kong Listing Rules.
- (IV) In these Articles, the meaning of "accounting firm" is consistent with the meaning of "auditor" in the Hong Kong Listing Rules, and the meaning of "independent Director" is consistent with the meaning of "independent non-executive Director" in the Hong Kong Listing Rules.

Article 206 The terms "above" and "within" mentioned in these Articles include the original number; "beyond", "below", "more than" and "over" do not include the original number.

Article 207 These Articles shall be interpreted by the Board of Directors of the Company.

Article 208 The appendices to these Article include the rules of procedure for the general meeting and the rules of procedure for the Board of Directors.

Article 209 Subject to the consideration and approval at the general meeting of the Company, these Articles shall take effect from the date on which the H Shares issued by the Company are listed on The Stock Exchange of Hong Kong Limited.

Article 210 Matters not covered in these Articles, or conflicts between these Articles and the mandatory provisions of laws, administrative regulations, departmental rules and normative documents of Chinese Mainland (which, for the purposes of these Articles, excludes the Hong Kong Special Administrative Region of the PRC, the Macao Special Administrative Region of the PRC, and Taiwan region of the PRC, and the same applies hereinafter) and the securities regulatory rules of the place where the Company's Shares are listed, the provisions of the laws, administrative regulations, departmental rules and normative documents of the PRC and the securities regulatory rules of the place where the Company's Shares are listed shall prevail.

Nexchip Semiconductor Corporation

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