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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of **Shanghai INT Medical Instruments Co., Ltd.*** (上海瑛泰醫療器械股份有限公司).

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

**If you have sold or transferred** all your shares in **Shanghai INT Medical Instruments Co., Ltd.*** (上海瑛泰醫療器械股份有限公司), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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# Shanghai INT Medical Instruments Co., Ltd.*

# 上海瑛泰醫療器械股份有限公司

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

**(Stock Code: 1501)**

## (1) PROPOSED ISSUANCE OF A SHARES AND RELATED MATTERS; (2) PROPOSED ADOPTION OF THE ARTICLES OF ASSOCIATION APPLICABLE UPON THE LISTING OF A SHARES; (3) PROPOSED ADOPTION OF THE GOVERNANCE POLICIES APPLICABLE UPON THE LISTING OF A SHARES; (4) PROPOSED CHANGE OF DOMESTIC AUDITOR FOR THE YEAR 2026; (5) PROPOSED PROVISION OF GUARANTEES FOR SUBSIDIARIES; AND (6) NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2026

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Capitalised terms used in this cover page have the same meanings as defined in this circular.

A notice convening the EGM of Shanghai INT Medical Instruments Co., Ltd.* (上海瑛泰醫療器械股份有限公司) to be held at Block 2, No. 925 Jin Yuan Yi Road, Jiading District, Shanghai, the PRC on Friday, 4 December 2026 at 2:00 p.m. is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.int-medical.com).

Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof (as the case may be) if they so wish and in such event, the form of proxy shall be deemed to be revoked.

* *For identification purposes only*

17 November 2026

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

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| "A Share(s)" | the ordinary share(s) proposed to be issued by the Company in accordance with the Issuance of A Shares, with a nominal value of RMB1.00 each, to be subscribed for and traded in RMB and proposed to be listed on the ChiNext Market of the SZSE |
| "Acquisition of Valgen Medtech" | the acquisition of equity interest in Valgen Holding Corporation (an exempted company incorporated under the laws of the Cayman Islands, which holds 100% equity interest in Hangzhou Valgen Medtech Co., Ltd.* (杭州德晉醫療科技有限公司)) by the Company, details of which please refer to the announcements of the Company dated 12 May 2026, 25 June 2026, 23 July 2026 and 11 September 2026 |
| "Articles of Association" | the articles of association of the Company, as amended and supplemented from time to time |
| "Articles of Association (Draft)" | the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (上海瑛泰醫療器械股份有限公司) (Draft) applicable upon the Listing of A Shares formulated by the Company |
| "Audit Committee" | the audit committee of the Board |
| "BDO" | BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所（特殊普通合夥)) |
| "Board" | the board of Directors of the Company |
| "Company" | Shanghai INT Medical Instruments Co., Ltd.* (上海瑛泰醫療器械股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1501) |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "CSRC" | China Securities Regulatory Commission (中國證券監督管理委員會) |
| "Director(s)" | the director(s) of the Company |

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| "EGM" | the second extraordinary general meeting of 2026 of the Company to be convened at Block 2, No. 925 Jin Yuan Yi Road, Jiading District, Shanghai, the PRC on Friday, 4 December 2026 at 2:00 p.m., or any adjournment thereof |
| "Group" | the Company and its subsidiaries |
| "H Share Award and Trust Scheme" | the H Share award and trust scheme of the Company approved by the Board on 18 March 2022 and approved by the Shareholders on 16 May 2022 for adoption, as amended from time to time |
| "H Share Full Circulation" | the conversion of 71,786,608 domestic shares of the Company into H Shares and the listing of such converted H Shares on the Stock Exchange, which has been completed on 3 June 2026 |
| "H Share(s)" or "Share(s)" | share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Stock Exchange |
| "Hangzhou Weiqiang" | Hangzhou Weiqiang Medical Technology Co., Ltd.* (杭州唯強醫療科技有限公司), a company incorporated in the PRC with limited liability and a non-wholly owned subsidiary of the Company |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong" | Hong Kong Special Administrative Region of the PRC |
| "Independent Third Parties" | third parties independent of and not connected with the Company and its connected persons |
| "Issuance of A Shares" or "the Issuance" | the initial public offering of the RMB ordinary shares (A Shares) and the listing on the ChiNext Market of the SZSE |
| "KPMG Huazhen" | KPMG Huazhen LLP (畢馬威華振會計師事務所（特殊普通合夥)) |
| "Latest Practicable Date" | 17 November 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular |
| "Listing of A Shares" or "the Listing" | the listing of A Shares on the ChiNext Market of the SZSE |

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| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time |
| "Over-allotment Option" | the over-allotment option which may be adopted by the Company and the lead underwriter at their discretion depending on the specific circumstances of the issuance, pursuant to which additional A Shares of not more than 15% of the total number of A Shares to be issued under the Proposed Issuance of A Shares (before any exercise of the over-allotment option), i.e. not more than 5,590,588 A Shares, may be issued |
| "Placing" | the placing of 35,200,000 new H Shares under the general mandate by the Company in January 2026, please refer to the announcements of the Company dated 14 January 2026 and 22 January 2026 for details |
| "PRC" or "China" | the People's Republic of China but excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan region |
| "Proposed Change of Domestic Auditor" | the proposed change of the domestic auditor of the Company for the year 2026 from KPMG Huazhen to BDO |
| "Proposed Guarantees" | the proposed provision of guarantees by the Company for six of its subsidiaries in an aggregate amount of not more than RMB1,430 million, details of which are set out in the section headed "VI. Proposed Provision of Guarantees for Subsidiaries" in the Letter from the Board |
| "Proposed Issuance of A Shares" | the proposed Issuance of A Shares |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Securities and Futures Ordinance" or "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time |
| "Shareholder(s)" | holder(s) of Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Substantial Shareholders" | has the meaning ascribed to it under the Listing Rules |
| "SZSE" | Shenzhen Stock Exchange |

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| "Treasury Shares" | has the meaning ascribed to it under the Listing Rules |
| "Trustee" | Trident Trust Company (HK) Limited, being the trustee of the H Share Award and Trust Scheme |
| "%" | per cent |

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*

# 上海瑛泰醫療器械股份有限公司

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

**(Stock Code: 1501)**

*Executive Directors:*
Dr. Liang Dongke *(Chairman)*
Mr. Lin Sen

*Non-executive Directors:*
Dr. Song Yuan
Ms. Chen Hongqin
Mr. Zhang Hong
Ms. Chen Jie
*(Employee Representative Director)*

*Independent Non-executive Directors:*
Mr. Xu Congli
Dr. Zhang Peng
Dr. Lai Wan Lung

*Registered office, headquarters and principal place of business in the PRC:*
Block 2, No. 925 Jin Yuan Yi Road
Jiading District
Shanghai, the PRC

*Principal place of business in Hong Kong:*
31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

17 November 2026

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED ISSUANCE OF A SHARES AND RELATED MATTERS;**
**(2) PROPOSED ADOPTION OF THE ARTICLES OF ASSOCIATION APPLICABLE UPON THE LISTING OF A SHARES;**
**(3) PROPOSED ADOPTION OF THE GOVERNANCE POLICIES APPLICABLE UPON THE LISTING OF A SHARES;**
**(4) PROPOSED CHANGE OF DOMESTIC AUDITOR FOR THE YEAR 2026;**
**(5) PROPOSED PROVISION OF GUARANTEES FOR SUBSIDIARIES;**
**AND**
**(6) NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2026**

* *For identification purposes only*

## I. INTRODUCTION

References are made to the announcement of the Company dated 12 June 2026, in relation to, among other things, the appointment of Guotai Haitong Securities Co., Ltd. as the pre-listing tutoring institution of the Company in connection with the Proposed Issuance of A Shares, and the acceptance of the pre-listing tutoring filing by the Shanghai Bureau of the CSRC; the announcement of the Company dated 11 October 2026 (the "**Announcement**"), in relation to, among other things, (1) the Proposed Issuance of A Shares and related matters; (2) the proposed adoption of the Articles of Association applicable upon the Listing of A Shares; and (3) the proposed adoption of the Governance Policies (as defined below) applicable upon the Listing of A Shares; and the announcement of the Company dated 17 November 2026 in relation to, among other things, (4) the Proposed Change of Domestic Auditor and (5) the Proposed Guarantees.

At the thirteenth meeting of the fourth session of the Board held on 10 October 2026 and the fifteenth meeting of the fourth session of the Board held on 17 November 2026, the Board has considered and approved, among other things, the relevant resolutions, and has resolved to submit those resolutions requiring Shareholders' approval to the EGM for consideration and approval.

The purpose of this circular is to provide you with, among others, (i) further details of the resolutions to be proposed at the EGM; and (ii) the notice of the EGM, to enable you to make an informed decision on whether to vote for or against such resolutions.

## II. PROPOSED ISSUANCE OF A SHARES AND RELATED MATTERS

The following Proposed Issuance of A Shares and related matters are subject to market conditions, and shall only proceed upon approval by the Shareholders at the EGM, review and approval by the SZSE and registration approval by the CSRC.

### 1. Proposal on the Company's Application for the Initial Public Offering and Listing on the ChiNext Market of the SZSE

The Board has considered and approved the Proposed Issuance of A Shares, with a view to leveraging the synergistic advantages of the Hong Kong and A share capital markets to establish a dual capital operation platform, thus broadening its financing

channels, optimising its capital structure, enhancing its overall competitiveness and securing its long-term and stable development. The specific plan for the Issuance is as follows:

**(1) Class of Shares**

RMB ordinary shares (A Shares) with a nominal value of RMB1.00 each. The A Shares to be traded in RMB and listed on the ChiNext Market of the SZSE are of the same class as the existing issued H Shares listed on the Stock Exchange. The A Shares shall rank *pari passu* with the existing H Shares listed on the Stock Exchange, and shall have the same nominal value and identical rights in respect of voting, dividends and return of assets.

**(2) Number of A Shares to be Issued**

The total number of RMB ordinary shares (A Shares) proposed to be publicly offered shall not exceed 37,270,588 A Shares (excluding A Shares which may be issued upon exercise of the Over-allotment Option), representing not more than approximately 17.65% of the total issued share capital of the Company as at the Latest Practicable Date and not more than 15% of the total issued share capital of the Company as enlarged by the issue of A Shares. The Issuance comprises entirely new shares to be issued to the public and does not involve any public offering of Shares by the Shareholders. The Company and the lead underwriter may exercise the Over-allotment Option, and the number of A Shares which may be issued upon such exercise shall not exceed 15% of the size of the Proposed Issuance of A Shares (before any exercise of the Over-allotment Option). The final number of A Shares to be issued shall be determined upon negotiation between the Board, as authorised by the Shareholders at the EGM, and the sponsor (lead underwriter), within the quota approved by the SZSE and consented to registration by the CSRC, in light of prevailing circumstances.

Assuming the Over-allotment Option is fully exercised and there are no other changes to the issued share capital of the Company, the maximum number of the A Shares to be issued will be 42,861,176 shares, representing approximately 20.29% of the total issued share capital of the Company as at the Latest Practicable Date and 16.87% of the total issued share capital of the Company as enlarged by the issue of the A Shares.

**(3) Pricing Method**

The issue price of the Issuance shall be determined by way of inquiry. Pursuant to the Administrative Measures for Securities Issuance and Underwriting and the Implementation Rules for the Issuance and Underwriting of Initial Public Offering of Securities of the SZSE, where the issue price of an initial public offering is determined by way of inquiry, the inquiry shall be made to professional institutional investors such as securities firms, fund management companies, insurance companies, qualified foreign investors and private fund managers. The Board (as authorised by the Shareholders at the EGM) and the lead underwriter may determine the issue price by way of preliminary inquiry or, following the determination of an issue price range through preliminary inquiry, by way of book-building.

Pursuant to Article 148 of the Company Law of the People's Republic of China, the issue price of the A Shares shall not be lower than their nominal value (i.e. RMB1.00 per Share). Save as aforesaid, there are no other PRC laws, regulations or normative documents prescribing a price floor for the issue price of the A Shares.

The issue price of the Issuance will not be lower than the latest audited net asset value per share of the Company prior to the Issuance, and will be determined by comprehensively considering factors such as the market price of the Company's H Shares, the valuation levels of comparable companies and market conditions.

**(4) Method of Issuance**

A combination of offline inquiry-based placement and online market-value-based subscription, or such other methods as recognised by the securities regulatory authorities.

| | |
|---|---|
| **(5) Target Subscribers** | Inquiry participants satisfying the conditions stipulated by applicable laws, regulations and the securities regulatory authorities, qualified ChiNext investors who have opened securities accounts with the SZSE, and other investors complying with the provisions of the CSRC and the SZSE (excluding persons prohibited from purchasing by laws and regulations). Where otherwise stipulated by the securities regulatory authorities and the SZSE, such stipulations shall prevail.<br><br>It is expected that the target subscribers under the Issuance of A Shares will be Independent Third Parties. If any target subscriber under the Issuance of A Shares is or will become a connected person of the Company, the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules, including (where applicable) the reporting, announcement and independent Shareholders' approval requirements. The specific target subscribers and the number of A Shares to be subscribed for by each of them shall be determined by the Board and its authorised persons based on the Company's communication with potential target subscribers and the securities regulatory authorities. The actual target subscribers and the number of A Shares to be subscribed for by each of them shall be subject to the approval of the securities regulatory authorities. |
| **(6) Underwriting Method** | Standby underwriting by the lead underwriter |
| **(7) Sponsor and Lead Underwriter** | Guotai Haitong Securities Co., Ltd. |
| **(8) Stock Listing Venue** | ChiNext Market of the SZSE |

**(9) Timing of Issuance** The Company may conduct the issuance upon approval by the SZSE and registration with the CSRC. The specific date of issuance shall be determined by the Board or its delegatee pursuant to the authorisation granted by the Shareholders at the Company's general meeting.

Upon completion of the Issuance of A Shares, the Company will apply for the A Shares to be listed and traded on the ChiNext Market of the SZSE as soon as practicable.

**(10) Use of Proceeds** The net proceeds from the Issuance of A Shares will be applied to the projects set out in the paragraph headed "3. Proposal on the Company's Investment Projects Funded by the Proceeds from the Initial Public Offering and Listing on the ChiNext Market of the SZSE and Their Feasibility" below in this letter.

**(11) Validity Period of the Resolution** The Proposed Issuance of A Shares is subject to approval by the Shareholders at the EGM. Upon approval, the resolution in respect of the Proposed Issuance of A Shares shall be valid for twelve (12) months from the date on which such resolution is passed at the EGM.

The A Shares will be issued under the specific mandate granted by the Shareholders at the EGM in respect of the Issuance of A Shares.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution item by item at the EGM.

## 2. Proposal on the Company's Satisfaction of the Conditions for the Initial Public Offering and Listing on the ChiNext Market of the SZSE

Pursuant to the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Administration of Registration of Initial Public Offering of Stocks, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange and other laws, regulations and normative documents, the Company has conducted an item-by-item review based on its actual circumstances, and confirms that the Company satisfies the conditions for initial public offering and listing on the ChiNext Market of the SZSE.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**3. Proposal on the Company's Investment Projects Funded by the Proceeds from the Initial Public Offering and Listing on the ChiNext Market of the SZSE and Their Feasibility**

Having considered the compatibility of the investment projects to be funded by the proceeds from the Issuance with the Company's production and operation scale, financial position, technological capability and management capacity, as well as the market prospects and profitability of such projects, the Company, upon careful, thorough and rigorous assessment, proposes that the proceeds from the Issuance (assuming the Over-allotment Option is not exercised), after deducting the issuance expenses, be applied to the following investment projects (the "**Projects**"):

| **No.** | **Proceeds-funded Investment Projects** *(Note 1)* | **Proposed Proceeds Allocation** *(RMB'000)* | **Approximate Percentage** *(%)* | **Estimated Construction/ Implementation Period** |
|---|---|---|---|---|
| 1 | Hangzhou INT Innovative Medical Devices Industrial Park Project | 550,000 | 30.56 | 3 years |
| 2 | INT Medical Innovative Medical Devices Expansion Project | 410,000 | 22.78 | 3 years |
| 3 | Projects relating to the research and development of interventional and implantable medical devices | 200,000 | 11.11 | 6 years |
| 4 | Development of marketing network | 100,000 | 5.56 | 5 years |
| 5 | Replenishment of working capital and repayment of bank borrowings | 540,000 | 30.00 | 2 years |
| | **Total** | **1,800,000** | **100.00** | |

*Notes:*

(1) Names of the proceeds-funded investment projects are subject to the final filing and approval by the government.

(2) The sum of percentages may not add up to the total due to rounding.

Details of the Projects are set out below (the relevant figures are preliminary estimates at the current stage and may be subject to adjustment in the A Share application documents):

(1) Hangzhou INT Innovative Medical Devices Industrial Park Project: this Project relates to the production and research and development of peripheral interventional medical devices, and involves the construction of a new standalone Industrialised manufacturing facility and the establishment of large-scale commercialisation channels, so as to support and supplement the Group's research and development and production capabilities in respect of peripheral interventional medical devices. As at the Latest Practicable Date, the land for this Project had been obtained and the filing with the development and reform authority had been completed, while the environmental impact assessment filing had not yet been obtained. Approximately RMB19.58 million had been invested in this Project (funded by the Group's own funds). The estimated construction period is three years.

(2) INT Medical Innovative Medical Devices Expansion Project: this Project relates to the production and research and development of medical devices in the field of structural heart disease, and involves the expansion of Industrialised manufacturing facilities, so as to support and supplement the Group's research and development and production capabilities in respect of medical devices in the field of structural heart disease. As at the Latest Practicable Date, the feasibility study for this Project had been completed and a letter of intent had been entered into, while the land use right had not yet been obtained and no funds had yet been invested. The estimated construction period is three years.

(3) Projects relating to the research and development of interventional and implantable medical devices: the proceeds are intended to be applied to the research and development of pipeline products in the fields of (i) vascular interventional medical devices; and (ii) non-vascular interventional medical devices. As at the Latest Practicable Date, the feasibility study for these Projects had been completed. These Projects will be implemented utilising the Group's existing research and development facilities. Several pipeline products have completed internal project approval and will progress through pre-clinical and clinical stages in accordance with their respective development progress. No funds had yet been invested. Having regard to the development stage of each pipeline product, the estimated implementation period is six years.

(4) Development of marketing network: this Project is intended to be used for the marketing and promotion of the Group's interventional medical devices and the development of the related marketing network. As at the Latest Practicable Date, the feasibility study for this Project had been completed, site selection for the sales offices outside the Shanghai headquarters was underway in the relevant regions and the relevant lease agreements had yet to be signed. No funds had yet been invested. The estimated implementation period is five years.

(5) Replenishment of working capital and repayment of bank borrowings: approximately RMB100 million will be used for replenishment of working capital, primarily for payment of employee remuneration, settlement of operating payables and maintenance of daily production and operation; and approximately RMB440 million will be used for repayment of bank borrowings, including (i) the Group's working capital loans for daily operations, the proceeds of which were used for the Group's daily operations; and (ii) the acquisition loan borrowed by the Group in connection with the acquisition of Hangzhou Weiqiang (with an outstanding balance of approximately RMB70.29 million as at the Latest Practicable Date), which is repayable in one or more instalments by December 2028.

The proceeds from the Issuance will be deposited in a special account approved by the Board. The Company may make investments using self-raised funds in advance in accordance with the progress of the Projects, and replace such prior self-raised funds investment with the proceeds once the proceeds are received. If, following the Issuance, the actual net proceeds after deducting offering expenses exceed the capital requirement of the aforesaid investment projects, the Company will submit the specific use of such portion of the proceeds to the Board or the Company's general meeting for consideration in accordance with the requirements of relevant laws and regulations. If the actual net proceeds after deducting offering expenses are less than the capital requirement of the aforesaid investment projects, the Company will cover the shortfall of the proceeds-funded investment projects through self-raised funds.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**4. Proposal on the Company's Share Price Stabilisation Plan for the Three Years Following the Initial Public Offering and Listing on the ChiNext Market of the SZSE**

In order to protect the interests of investors and further clarify the share price stabilisation measures to be adopted by the Company where its share price falls below the net asset value per share within three years following the Issuance and the Listing, and in accordance with the relevant requirements of the CSRC's Opinions on Further Promoting the Reform of the New Share Issuance System, the Company has formulated the Share Price Stabilisation Plan for the Three Years Following Initial Public Offering and Listing on the ChiNext Market of Shanghai INT Medical Instruments Co., Ltd., the full text of which is set out in Appendix I to this circular.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**5. Proposal on the Company's Accumulated Profit Distribution Plan Prior to the Initial Public Offering and Listing on the ChiNext Market of the SZSE**

If the Company obtains the review approval from the SZSE in respect of the Issuance and the registration approval from the CSRC in respect of the Issuance, the undistributed profits of the Company accumulated prior to the Issuance shall be shared by all new and existing Shareholders in proportion to their respective shareholdings upon completion of the Issuance. If the amount of such undistributed profits is adjusted as a result of changes in accounting policies, the adjusted amount shall prevail.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**6. Proposal on the Company's Shareholder Dividend Return Plan for the Three Years Following the Initial Public Offering and Listing on the ChiNext Market of the SZSE**

In order to clarify its dividend return to all new and existing Shareholders for the three years following the Issuance, further refine the provisions on the principles of dividend distribution in the Articles of Association (Draft), increase the transparency and operability of the dividend distribution policy and facilitate Shareholders' supervision over the operations and distributions of the Company, and in accordance with the Company Law of the People's Republic of China, the Regulatory Guidelines for Listed Companies No. 3 — Distribution of Dividends in Cash by Listed Companies and other relevant requirements, the Company has formulated the Shareholder Dividend Return Plan for the Three Years following the Listing of Shanghai INT Medical Instruments Co., Ltd., the full text of which is set out in Appendix II to this circular.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**7. Proposal on the Company's Measures to Remedy the Diluted Current Returns Following the Initial Public Offering and Listing on the ChiNext Market of the SZSE**

In accordance with the Opinions on Further Strengthening the Protection of the Legal Rights and Interests of Small and Medium-sized Investors in the Capital Market and the Guiding Opinions on Matters Concerning the Dilution of Current Returns by Initial Public Offering, Refinancing and Material Assets Restructuring and other relevant requirements, and in order to enhance the Company's ability to deliver sustained returns to investors, the Company has formulated the Plan for Measures to Remedy the Diluted Current Returns of Shanghai INT Medical Instruments Co., Ltd., the full text of which is set out in Appendix III to this circular.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**8. Proposal on the Company's Giving of Relevant Undertakings and Adoption of Corresponding Restraint Measures in respect of the Initial Public Offering and Listing on the ChiNext Market of the SZSE**

In order to maintain the momentum for the Company's long-term development, achieve its long-term development objectives, safeguard the interests of the small and medium-sized Shareholders as well as the stability and long-term growth of the Company's share price, and strengthen the restraint on public undertakings, and in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other laws, regulations and normative documents, the Company and the relevant responsible parties propose and undertake to abide by the following restraint measures:

***(1) Restraint measures of the Company in respect of failure to fulfil undertakings***

The Company will strictly fulfil all public undertakings made in respect of the Issuance and actively accept public supervision, and proposes to the shareholders' meeting for an authorisation to the Chairman of the Company and his/her authorised representative(s) to formulate, sign, amend and issue the relevant undertakings made by the Company in accordance with the provisions of laws, regulations and normative documents in respect of the Issuance. If the relevant undertakings made by the Company in the prospectus fail to be fulfilled, are confirmed to be incapable of being fulfilled or cannot be fulfilled on schedule (except where caused by objective reasons beyond the control of the Company, such as changes in relevant laws and regulations and policies, natural disasters and other force majeure), the Company will voluntarily bear the corresponding legal consequences and civil

compensation liabilities, and adopt the following measures: (i) to disclose the specific reasons for the failure to fulfil, inability to fulfil or inability to fulfil on schedule the undertakings in a timely and sufficient manner; (ii) to propose supplementary undertakings or alternative undertakings to investors so as to protect the interests of investors to the greatest extent possible, and submit such supplementary undertakings or alternative undertakings to the shareholders' general meeting for consideration; (iii) to publicly explain the specific reasons at the shareholders' general meeting and on the media designated by the CSRC for information disclosure, and apologise to the Shareholders and investors; and (iv) to compensate investors in accordance with the law for any losses caused to investors as a result of breach of the relevant undertakings. If the undertakings fail to be fulfilled, are confirmed to be incapable of being fulfilled or cannot be fulfilled on schedule due to objective reasons beyond the control of the Company such as force majeure, the Company will disclose the specific reasons in a timely and sufficient manner and promptly explore new solutions to protect the interests of investors to the greatest extent possible.

***(2) Restraint measures of the Substantial Shareholders and parties acting in concert with them in respect of failure to fulfil undertakings***

The Substantial Shareholders (namely: (1) Shanghai Kindly Enterprise Development Group Co., Ltd.*, (2) Ningbo Huaige Taiyi Equity Investment Partnership (Limited Partnership)* and its connected shareholder, Wang Kai, (3) Liang Dongke and persons acting in concert with him, including Ningbo Jiaying Enterprise Management Partnership (LP)*, Jingning Int Chuangqi Enterprise Management Partnership (Limited Partnership)*, Jingning Int Chuangyuan Enterprise Management Partnership (Limited Partnership)* and Ningbo Int Investment Partnership (Limited Partnership)*) will truthfully fulfil each of the obligations and responsibilities under the undertakings made by them as disclosed in the prospectus. If the aforesaid undertakings fail to be fully and effectively fulfilled for reasons other than force majeure, they will (i) take corresponding remedial measures or make new undertakings (the relevant undertakings are subject to the approval and information disclosure procedures in accordance with the relevant provisions of laws, regulations, normative documents, its Articles of Association and internal control systems); and (ii) where the securities regulatory authorities or judicial authorities finally determine that they have breached or failed to actually fulfil the aforesaid undertakings and shall bear compensation liabilities, bear the corresponding liabilities in the manner and amount as finally determined by such securities regulatory authorities or judicial authorities. If the undertakings fail to be fulfilled, are confirmed to be incapable of being fulfilled or cannot be fulfilled on schedule due to objective reasons beyond their control such as force majeure, they will disclose the specific reasons in a timely and sufficient manner and promptly explore new solutions to protect the interests of the Company and its investors to the greatest extent possible.

*(3) Restraint measures of the Directors and senior management in respect of failure to fulfil undertakings*

The Directors and senior management will strictly fulfil all public undertakings made by them in respect of the Issuance and actively accept public supervision. If the relevant undertakings made by them in the prospectus fail to be fulfilled, are confirmed to be incapable of being fulfilled or cannot be fulfilled on schedule (except where caused by objective reasons beyond their control, such as force majeure), they will voluntarily bear the corresponding legal consequences and civil compensation liabilities, and adopt the following measures: (i) to disclose the specific reasons in a timely and sufficient manner; (ii) to propose supplementary undertakings or alternative undertakings to the Company and its investors, and submit such supplementary undertakings or alternative undertakings to the Company's general meeting for consideration; (iii) to publicly explain the specific reasons at the Company's general meeting and on the media designated by the CSRC for information disclosure, and to apologise to the Shareholders and investors; and (iv) any gains derived from breach of the relevant undertakings shall belong to the Company, and where any losses are caused to the Company or investors as a result thereof, to compensate the Company or investors in accordance with the law. Where the undertakings fail to be fulfilled, are confirmed to be incapable of being fulfilled or cannot be fulfilled on schedule due to objective causes beyond the control of the Directors and senior management, including changes in relevant laws and regulations and policies, natural disasters and other force majeure, the Directors and senior management shall disclose the specific reasons in a timely and sufficient manner, and promptly explore new solutions to protect the interests of the Company and its investors to the greatest extent possible.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**9. Proposal on the Engagement of Intermediaries for the Company's Initial Public Offering and Listing on the ChiNext Market of the SZSE**

The Company proposes to engage Guotai Haitong Securities Co., Ltd. as the sponsor and lead underwriter for the Issuance, Beijing DeHeng Law Offices as the special legal adviser for the Issuance, and BDO China Shu Lun Pan Certified Public Accountants LLP as the special auditor for the Issuance.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of an ordinary resolution at the EGM.

**10. Proposal on the Establishment of a Special Account for the Proceeds Raised by the Company**

In order to regulate the management and use of the proceeds and protect the lawful rights and interests of investors, the Company proposes to establish a special account for the proceeds from the Issuance, with the funds to be managed in a designated account for designated purposes, and proposes to authorise the Board to determine the account-opening bank and to handle specific matters such as entering into the Tripartite Supervision Agreement on Proceeds with the account-opening bank and the sponsor, so as to facilitate the management and use of the proceeds and improve the efficiency of the use of the proceeds.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of an ordinary resolution at the EGM.

**11. Proposal on Requesting the General Meeting to Authorise the Board to Handle in Full All Matters in Relation to the Company's Initial Public Offering and Listing on the ChiNext Market of the SZSE**

In order to facilitate the smooth progress of the Issuance, and in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange, the Articles of Association and other relevant provisions, the Board requests the general meeting to authorise the Board to handle in full the specific matters in relation to the Issuance, including but not limited to:

(1) formulate, adjust, implement and terminate the specific plan for the Issuance in accordance with the provisions of laws, regulations and normative documents, the requirements of regulatory authorities, the actual conditions of the securities market and the Company and the authorisation of the general meeting, including but not limited to determining the specific timing of the issuance, method of issuance, pricing method, issue price, number of new Shares to be issued, target subscribers, place of listing, use of proceeds and other matters in relation to the Issuance;

(2) handle the application for the Issuance and the listing of the A Shares, including but not limited to handling procedures such as application, reply, approval, registration, filing, verification and consent in respect of the Issuance with the relevant government authorities, regulatory authorities, stock exchanges and securities registration and clearing institutions;

(3) sign, execute, amend and complete all necessary documents in relation to the Issuance, including but not limited to the prospectus, public undertakings and various announcements;

(4) determine, adjust and handle the specific matters arising in the course of implementation of the investment projects funded by the proceeds from the Issuance, in accordance with the provisions of laws, regulations and normative documents and the requirements of regulatory authorities, the actual conditions of the securities market and the authorisation of the general meeting, taking into account the implementation of the plan of the Issuance, the market conditions and the actual operating conditions of the Company;

(5) engage the sponsor, underwriters, law firm, accounting firm and other intermediaries in relation to the Issuance, and revise, approve, sign and execute relevant contracts and legal documents such as the sponsorship agreement and underwriting agreements entered into with the intermediaries in relation to the Issuance;

(6) formulate and revise the Articles of Association and other internal management systems of the Company in accordance with the provisions of relevant laws, regulations and normative documents and the requirements of regulatory authorities; and

(7) handle other matters not listed above but considered by the Board to be related to the Issuance, in compliance with relevant laws, regulations and normative documents.

The validity period of the above authorisation shall be 12 months from the date of consideration and approval at the general meeting.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

**Reasons for and Purposes of the Issuance of A Shares**

The Directors are of the view that the Issuance of A Shares will enable the Company to leverage the synergistic advantages of the Hong Kong and A share capital markets to establish a dual capital operation platform, and fully leverage the notable strengths of the A share capital market of ample liquidity and diversified financing channels to support the development and industrial layout of the Company's core medical devices business. The Issuance of A Shares will, on the one hand, raise sufficient funds for key investment in the research and development of core technologies, expansion of product pipeline and integration of industrial ecosystem, so as to continuously strengthen its technological barriers and product competitiveness. On the other hand, it will help further enhance brand influence and customer trust, deepen market presence in the domestic industry and optimise the corporate governance structure and information disclosure standards. Through an H+A dual listing structure, the Company will be able to effectively expand its financing capacity, optimise its capital structure and enhance its overall competitiveness, seize opportunities arising from the development of the medical devices industry, consolidate its leading industry position and achieve long-term and steady growth. The Directors have considered funding the Projects through internal resources and debt financing. Given total funds required for the Projects (excluding replenishment of working capital and repayment of bank borrowings) of approximately RMB1,260 million and long investment cycle, funding the Projects through equity financing would avoid a significant increase in the Group's financial costs and debt repayment pressures. The unutilised proceeds from the Placing have been designated for the Acquisition of Valgen Medtech, repayment of bank borrowings and working capital, and are expected to be fully utilised prior to 30 June 2027. The proceeds from the Issuance of A Shares are expected to be available only after 2027 and will be deposited in a special account for separate management. Therefore, they have different uses and application periods. Accordingly, the Directors consider that the Issuance of A Shares is in the interests of the Company and the Shareholders as a whole.

**Impact of the Issuance of A Shares on the Shareholding Structure of the Company**

For reference and illustration purposes only, assuming there are no other changes to the issued share capital of the Company, the shareholding structure of the Company (a) as at the Latest Practicable Date; (b) immediately following the completion of the Issuance of A Shares (assuming the Over-allotment Option is not exercised); and (c) immediately following the completion of the Issuance of A Shares (assuming the Over-allotment Option is exercised in full) is set out below:

| | **As at the Latest Practicable Date** | | **Immediately following the completion of the Issuance of A Shares (assuming the Over-allotment Option is not exercised)** | | **Immediately following the completion of the Issuance of A Shares (assuming the Over-allotment Option is exercised in full)** | |
|---|---|---|---|---|---|---|
| | *Number of Shares* | *Approximate percentage of total issued share capital (%)* | *Number of Shares* | *Approximate percentage of total issued share capital (%)* | *Number of Shares* | *Approximate percentage of total issued share capital (%)* |
| **Directors** | | | | | | |
| Dr. Liang Dongke and Dr. Song Yuan *(Note 3)* | 23,799,254 | 11.27 | 23,799,254 | 9.58 | 23,799,254 | 9.37 |
| Mr. Lin Sen *(Note 4)* | 7,142,858 | 3.38 | 7,142,858 | 2.87 | 7,142,858 | 2.81 |
| **Substantial Shareholders** | | | | | | |
| Shanghai Kindly Enterprise Development Group Co., Ltd.* ("**KDL**") *(Note 5)* | 42,857,142 | 20.29 | 42,857,142 | 17.25 | 42,857,142 | 16.87 |
| Ningbo Huaige Taiyi Equity Investment Partnership (Limited Partnership)* ("**Ningbo Huaige Taiyi**") and its connected shareholder *(Note 6)* | 25,395,228 | 12.02 | 25,395,228 | 10.22 | 25,395,228 | 10.00 |
| Other H Shareholders | 112,005,518 | 53.03 | 112,005,518 | 45.08 | 112,005,518 | 44.09 |
| **Sub-total of H Shares** *(Note 1)* | **211,200,000** | **100.00** | **211,200,000** | **85.00** | **211,200,000** | **83.13** |
| A Shares | — | — | 37,270,588 | 15.00 | 42,861,176 | 16.87 |
| **Total** | **211,200,000** | **100.00** | **248,470,588** | **100.00** | **254,061,176** | **100.00** |

*Notes:*

(1) The Company completed full circulation of H Shares in June 2026, and 71,786,608 domestic shares were converted into H Shares. As at the Latest Practicable Date, all 211,200,000 Shares in the entire issued share capital of the Company are H Shares and there are no unlisted domestic shares.

(2) The sum of the percentages may not add up to the total due to rounding.

(3) Dr. Liang Dongke is an executive Director and chairman of the Board. Dr. Song Yuan is a non-executive Director and the spouse of Dr. Liang Dongke. Dr. Liang Dongke (i) beneficially holds 12,042,854 H Shares; (ii) holds 9,900,000 H Shares through a controlled corporation; and (iii) is interested in 1,856,400 award H Shares granted to him but remain unvested pursuant to the H Share Award and Trust Scheme, representing an aggregate of 23,799,254 H Shares. Pursuant to section 316(1)(a) of the Securities and Futures Ordinance, Dr. Song Yuan is deemed to be interested in all 23,799,254 H Shares held by Dr. Liang Dongke.

(4) Mr. Lin Sen is an executive Director and beneficially holds 7,142,858 H Shares.

(5) Shanghai Kindly Holding Group Co., Ltd.* ("**KDL Holding**") controls KDL as it owns more than one-third of the voting power at general meetings of KDL. KDL Holding is in turn controlled by each of Shanghai Gongye Investment Co., Ltd.* ("**Gongye**") and Kindly Holding Co., Ltd.*. Gongye is held as to 56.43% by, and Kindly Holding Co., Ltd.* is wholly-owned by, the Zhang Family (namely, Mr. Zhang Xianmiao, Ms. Zheng Aiping and Mr. Zhang Wei) as concert parties. As such, under the Securities and Futures Ordinance, each of KDL Holding, Gongye, Kindly Holding Co., Ltd.*, Mr. Zhang Xianmiao, Ms. Zheng Aiping and Mr. Zhang Wei is deemed to be interested in the 42,857,142 H Shares held by KDL.

(6) To the best of the Directors' knowledge, Ningbo Huaige Taiyi is a limited partnership established in the PRC which directly holds 19,823,800 H Shares, and is owned as to 53.13% by Ningbo Huaige Gongxin Equity Investment Partnership (Limited Partnership) (寧波懷格共信股權投資合夥企業(有限合夥)) ("**Ningbo Huaige Gongxin**") as limited partner. Ningbo Huaige Health Investment Management Partnership (Limited Partnership) (寧波懷格健康投資管理合夥企業(有限合夥)) ("**Ningbo Huaige Health**") is the general partner of Ningbo Huaige Taiyi and Ningbo Huaige Gongxin. Mr. Wang Kai (王鍇) has 82.5% interest in Ningbo Huaige Health as the general partner. As such, under the SFO, each of Ningbo Huaige Gongxin, Ningbo Huaige Health and Mr. Wang Kai is deemed to be interested in the 19,823,800 H Shares held by Ningbo Huaige Taiyi. In addition, Mr. Wang Kai beneficially owns 5,571,428 H Shares. Accordingly, Mr. Wang Kai is interested in an aggregate of 25,395,228 H Shares. Ms. Zhao Wei (趙威) is the spouse of Mr. Wang Kai. Under section 316(1)(a) of the SFO, Ms. Zhao Wei is deemed to be interested in all the 25,395,228 H Shares in which Mr. Wang Kai is interested.

## Equity Fund Raising Activities During the Past 12 Months

References are made to the announcements of the Company dated 14 January 2026 and 22 January 2026 in relation to, among others, the Placing of new H Shares and the completion of the Placing. On 14 January 2026, the Company entered into the placing agreement with the joint placing agents, namely China International Capital Corporation Hong Kong Securities Limited and Industrial Securities (Hong Kong) Financial Holdings Limited, pursuant to which the Company agreed to place 35,200,000 new H Shares, and the joint placing agents agreed to procure the placees to subscribe for such new H Shares at the placing price of HK$26.00 per Share. The Placing was completed on 22 January

2026, the gross proceeds amounted to approximately HK$915.20 million, and the net proceeds (after deducting the commission and other relevant costs and expenses of the Placing) amounted to approximately HK$884.31 million (with a net issue price of approximately HK$25.12 per H Share).

As at the Latest Practicable Date, approximately HK$407.00 million of the net proceeds, representing approximately 46.02% of the total net proceeds, from the Placing had been utilised and approximately HK$477.31 million remained unutilised and is estimated to be fully utilised prior to 30 June 2027. The net proceeds are intended to be applied as follows: (a) approximately 56.54% or HK$500.00 million will be used for the expansion of medical devices product portfolio through investment and potential acquisition (of which approximately HK$317.03 million had been utilised and approximately HK$182.97 million remained unutilised); (b) approximately 23.75% or HK$210.00 million will be used for the repayment of existing interest-bearing bank borrowings (of which approximately HK$54.37 million had been utilised and approximately HK$155.63 million remained unutilised); and (c) approximately 19.71% or HK$174.31 million will be used for working capital and other general corporate purposes (of which approximately HK$35.60 million had been utilised and approximately HK$138.71 million remained unutilised).

References are made to the announcements of the Company dated 12 November 2025, 11 May 2026, 13 May 2026 and 3 June 2026 in relation to the H Share Full Circulation. 71,786,608 domestic shares were converted into H Shares, the conversion of which was completed on 3 June 2026. The H Share Full Circulation involved only the conversion of existing Shares, and no issuance of new Shares was involved. Save as disclosed above, the Company has not carried out any fundraising activities in relation to the issuance of equity securities of the Company in the 12 months immediately preceding the Latest Practicable Date.

**Public Float**

At the Latest Practicable Date, based on publicly available information and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Company has maintained a public float above the minimum requirements under Chapter 19A of the Listing Rules. The Company will continue to comply with the public float requirements under Chapter 19A of the Listing Rules during the application process and after completion of the Issuance of A Shares.

## III. PROPOSED ADOPTION OF THE ARTICLES OF ASSOCIATION APPLICABLE UPON THE LISTING OF A SHARES

Pursuant to the requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Administration of Registration of Initial Public Offering of Stocks, the Guide to the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on the ChiNext Market of

Shenzhen Stock Exchange, the Listing Rules and other laws and regulations, the Company has formulated the Articles of Association (Draft) to be applicable upon the Issuance and the Listing. The comparison table of amendments between the Articles of Association (Draft) and the existing Articles of Association is set out in Appendix IV to this circular. Save for the amendments set out in the Appendix, all other provisions remain unchanged.

The Articles of Association (Draft) shall take effect from the date of the listing of the A Shares, prior to which the existing Articles of Association shall remain in force. The Articles of Association (Draft) was prepared in Chinese and its English translation is for reference only. In the event of any discrepancy between the English translation and the Chinese version of the document, the Chinese version shall prevail.

The legal adviser to the Company on Hong Kong laws has confirmed that the proposed amendments comply with the requirements of the Listing Rules, and the legal adviser to the Company on the PRC laws has confirmed that the proposed amendments do not violate the PRC laws. The Company also confirms that there is nothing unusual about the proposed amendments for a joint stock company incorporated in the PRC and listed on the Stock Exchange.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

## IV. PROPOSED ADOPTION OF THE GOVERNANCE POLICIES APPLICABLE UPON THE LISTING OF A SHARES

To meet the new corporate governance requirements of the Company after the Issuance, further improve its corporate governance structure and enhance the standardised operation level of the Company, in accordance with the requirements of the Company Law of the People's Republic of China, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange, the Listing Rules and other relevant laws, regulations and normative documents, the Company has formulated a series of draft corporate governance policies to be applicable upon the listing of the A Shares (collectively, the "**Governance Policies**"), specifically including:

(i) Rules of Procedures for the Shareholders' General Meeting (Draft);

(ii) Rules of Procedures for the Board (Draft);

(iii) Working System for Independent Directors (Independent Non-executive Directors) (Draft);

(iv) Management System of Related Party (Connected) Transactions (Draft);

(v) Management System of External Guarantees (Draft);

(vi) Management System of External Investments (Draft);

(vii) Management System of Proceeds (Draft);

(viii) Management System on the Remuneration and Performance Evaluation of Directors and Senior Management (Draft); and

(ix) Rules for the Selection and Appointment of Accounting Firm (Draft).

The comparison tables of amendments between the Rules of Procedures for the Shareholders' General Meeting (Draft) and its existing version, and between the Rules of Procedures for the Board (Draft) and its existing version, are set out in Appendix V and Appendix VI respectively. The full texts of the remaining seven systems are set out in Appendix VII to Appendix XIII respectively. The Governance Policies shall take effect from the date of the listing of the A Shares; prior to which, the existing governance policies (if applicable) shall remain in force.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval at the EGM, among which items (i) and (ii) will be considered and approved item by item by way of special resolutions, and items (iii) to (ix) will be considered and approved item by item by way of ordinary resolutions.

## V. PROPOSED CHANGE OF DOMESTIC AUDITOR FOR THE YEAR 2026

In order to coordinate and advance the Proposed Issuance of A Shares, improve the efficiency of domestic audit and avoid duplication of audit work, and as considered and approved by the Audit Committee, the Board proposes to terminate the engagement of KPMG Huazhen as the domestic auditor of the Company for the year 2026, and proposes to appoint BDO as the domestic auditor of the Company for the year 2026, responsible for the audit of the financial statements prepared in accordance with the China Accounting Standards for Business Enterprises. As disclosed in paragraph 9 of Section II above, BDO has been engaged by the Company as the special auditor for the Proposed Issuance of A Shares. As the financial statements of the Company for the year ending 31 December 2026 will form part of the reporting period of the financial information to be included in the application documents for the Proposed Issuance of A Shares, the Board considers that the appointment of BDO as the domestic auditor for the year 2026 will avoid duplication of audit work, and enhance the efficiency of the audit.

KPMG Huazhen has served as the domestic auditor of the Company since the year 2023, and was appointed as the domestic auditor of the Company for the year 2026 at the annual general meeting held on 28 May 2026. The Proposed Change of Domestic Auditor relates only to the domestic auditor of the Company. KPMG will continue to serve as the international

auditor of the Company for the year 2026, responsible for the audit of the financial statements prepared in accordance with the Hong Kong Financial Reporting Standards. The annual results announcement and annual report of the Company published in accordance with the Listing Rules are based on these financial statements. Accordingly, the Proposed Change of Domestic Auditor will not affect the audit of such financial statements or the publication of the annual results and annual report of the Company for the year ending 31 December 2026.

The term of office of BDO will commence from the date of approval at the EGM and end at the conclusion of the next annual general meeting of the Company. The audit fee of BDO for the audit of the domestic financial statements of the Company for the year 2026 is expected to be RMB500,000, which was determined with reference to the scope and complexity of the audit, the expected time and resources to be devoted, the audit timetable and the prevailing market rates. The key assumptions underlying such fee include that (i) the business scale of the Group for the year 2026; (ii) the scope of consolidation of the Group for the year 2026 will increase; (iii) there will be no unplanned material acquisition, disposal or restructuring during the year; and (iv) there will be no unidentified material internal control deficiency or material misstatement. The audit fee of KPMG Huazhen for the domestic audit for the year 2025 was RMB400,000. The difference is mainly attributable to the expansion of the overall business scale of the Group in 2026 and the increase in the scope of consolidation for the year 2026. The Board also proposes that the Shareholders authorise the Board to approve reasonable adjustments to the audit fee of BDO which are proportionate to any change in the audit scope, and authorise the chairman of the Board to sign the relevant engagement agreement on behalf of the Company.

BDO is a PRC certified public accounting firm which has completed the filing for engaging in securities services business. The Audit Committee has assessed, among other things, the qualifications, professional competence, resources, independence and audit plan of BDO. BDO plans to carry out the audit planning and preliminary audit work and communicate with the Audit Committee in December 2026, conduct the year-end fieldwork from January to March 2027, and issue the audit report on the domestic financial statements by the end of April 2027. Having regard to the above and the fact that BDO has been conducting the audit work for the Proposed Issuance of A Shares, the Audit Committee considers that BDO is capable of completing the audit for the year 2026 in a timely manner while maintaining audit quality.

KPMG Huazhen has confirmed to the Board that there are no matters in relation to the Proposed Change of Domestic Auditor that need to be brought to the attention of the Shareholders. The Board and the Audit Committee has also confirmed that, there is no disagreement between the Company and KPMG Huazhen, there are no unresolved audit issues and there are no other matters in relation to the Proposed Change of Domestic Auditor that need to be brought to the attention of the Shareholders.

As at the Latest Practicable Date, the Company had not received any written representations from KPMG Huazhen for inclusion in this circular. Pursuant to Rule 13.88 of the Listing Rules, KPMG Huazhen will be invited to attend the EGM and to make written or oral representations, if any, to the Shareholders.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of an ordinary resolution at the EGM.

## VI. PROPOSED PROVISION OF GUARANTEES FOR SUBSIDIARIES

In order to meet the funding needs of the daily operations and business development of the Company and its subsidiaries and to enhance their capital operation capability, the Board proposes that the Company provide guarantees for loans to be applied for from banks and other financial institutions by six subsidiaries within the scope of its consolidated financial statements, in an aggregate amount of not more than RMB1,430 million, details of which are set out below:

| **Guaranteed party** | **Equity interest held by the Company** | **Guarantee amount** *(RMB million)* |
|---|---|---|
| Shandong INT Medical Instruments Co., Ltd.* (山東瑛泰醫療器械有限公司) | 100% | 700 |
| Hangzhou INT Medical Technology Co., Ltd.* (杭州瑛泰醫療科技有限公司) | 100% | 400 |
| Xiamen INT Medical Technology Co., Ltd.* (廈門瑛泰醫療科技有限公司) | 100% | 150 |
| Shanghai INT Purun Medical Instruments Co., Ltd.* (上海瑛泰璞潤醫療器械有限公司) | 62.9787% | 100 |
| Shanghai INT Biotechnology Co., Ltd.* (上海瑛泰生物科技有限公司) | 100% | 50 |
| Shanghai Qimu Medical Instruments Co., Ltd.* (上海七木醫療器械有限公司) | 90% | 30 |
| **Total** | | **1,430** |

As at the Latest Practicable Date, the Company has not entered into any guarantee agreement or letter of intent in respect of the Proposed Guarantees. The Proposed Guarantees will be provided by way of joint and several liability guarantees, and the guarantee period will be subject to the guarantee agreements to be finally entered into between the Company and

the relevant banks and other financial institutions. The Board proposes that the Shareholders authorise the chairman of the Board to sign, on behalf of the Company, all legal documents in relation to such loans and guarantees within the above guarantee amount.

Pursuant to the Company Law of the People's Republic of China and the Articles of Association, as the amount of the Proposed Guarantees exceeds 30% of the latest audited total assets of the Company, the Proposed Guarantees are subject to the consideration and approval of the Shareholders at the EGM by way of a special resolution.

**Listing Rules implications**

As each of the guaranteed parties is a subsidiary of the Company, the Proposed Guarantees do not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules pursuant to Rule 14.04(1)(e) of the Listing Rules. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no connected person of the Company at the issuer level is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of Shanghai INT Purun Medical Instruments Co., Ltd.* or Shanghai Qimu Medical Instruments Co., Ltd.*, individually or together. Accordingly, neither of them is a connected subsidiary of the Company under Rule 14A.16 of the Listing Rules, and the Proposed Guarantees do not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

The above proposal, having been considered and approved by the Board, is now submitted to the Shareholders for consideration and approval by way of a special resolution at the EGM.

## VII. EGM

A notice convening the EGM to be held at Block 2, No. 925 Jin Yuan Yi Road, Jiading District, Shanghai, the PRC on Friday, 4 December 2026 at 2:00 p.m. is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.int-medical.com). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof (as the case may be) if they so wish and in such event, the form of proxy shall be deemed to be revoked.

## VIII. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026, both days inclusive, during which period no transfer of Shares of the Company will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 30 November 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the EGM is Friday, 4 December 2026.

## IX. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, apart from certain exceptions, any vote of Shareholders at a general meeting must be taken by poll. Treasury Shares, if any, registered in the name of the Company, shall have no voting rights at the general meeting(s) of the Company. For the avoidance of doubt, Treasury Shares, if any, pending withdrawal from and/or transfer through CCASS shall not bear any voting rights at the Company's general meeting(s). Pursuant to Rule 17.05A of the Listing Rules, as at the Latest Practicable Date, the Trustee holding 4,356,400 unvested H Shares shall abstain from voting on those H Shares at the EGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution at the EGM.

On a poll, every Shareholder present in person or by proxy (or being a corporation by its duly authorised representative) shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it has in the same manner.

## X. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that all the resolutions to be proposed at the EGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM.

## XI. RESPONSIBILITY STATEMENT

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

By order of the Board
**Shanghai INT Medical Instruments Co., Ltd. ***
**上海瑛泰醫療器械股份有限公司**
**Dr. Liang Dongke**
*Chairman*

* *For identification purposes only*

Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**") proposes to apply for the initial public offering of RMB ordinary shares (A Shares) and the listing on the ChiNext Market of the SZSE (hereinafter referred to as "**the Issuance**"). In order to safeguard the interests of public investors, enhance investor confidence as well as maintain the healthy and stable share price of the Company, the Company has formulated the Share Price Stabilisation Plan of Shanghai INT Medical Instruments Co., Ltd.* for the Three Years Following the Initial Public Offering and Listing on the ChiNext Market, the details of which are as follows:

## I. PRINCIPLES FOR STABILISING SHARE PRICE OF THE COMPANY

The Company will strive to maintain normal operation and sustainable development so as to deliver reasonable returns to all Shareholders. To balance the immediate and long-term interests of all Shareholders and facilitate the healthy development of the Company and the market stability, and if the share price of the Company triggers the specific conditions for initiating share price stabilisation measures, the Company and/or non-independent Directors and senior management will, in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and relevant provisions of normative documents promulgated by the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**") as well as the actual conditions of the Company, initiate relevant share price stabilisation measures to uphold market fairness and practically protect the legitimate interests of investors, the small and medium-sized investors in particular.

## II. CONDITIONS FOR INITIATING THE SHARE PRICE STABILISATION MEASURES

Where the closing price of the A Shares of the Company has been lower than the latest audited net asset value per share of the Company for 20 consecutive trading days within three years after the listing of the Company's shares (hereinafter referred to as the "**Conditions for Initiating the Share Price Stabilisation Measures**", and if there is any change in the net assets or the total number of shares of the Company due to ex-rights and ex-dividend events such as dividend distribution, bonus issue or conversion of capital reserve into share capital, the above net assets per share shall be adjusted accordingly), the share price stabilisation measures shall be initiated, and the corresponding approval procedures and information disclosure obligations shall be performed in a timely manner.

## III. SPECIFIC MEASURES OF SHARE PRICE STABILISATION

When the Conditions for Initiating the Share Price Stabilisation Measures are satisfied, the Company and relevant parties shall, based on the plan on share price stabilisation considered and approved by the Board or at the general meetings of the Company, adopt part or all of the following measures to stabilise the share price of the Company in a timely manner:

### (I) Repurchase of A Shares by the Company

1. The repurchase of A Shares by the Company for the purpose of stabilising the share price shall comply with the provisions of relevant laws and regulations such as the Rules for the Repurchase of Shares by Listed Companies, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 9 for Listed Companies — Share Repurchase, the Listing Rules and The Codes on Takeovers and Mergers and Share Buy-backs, while ensuring that the repurchase would not result in the Company's shareholding structure disqualified for the listing requirements. The share repurchase shall be conducted by means of centralised bidding, offer or other means recognised by the securities regulatory authorities.

2. The Board shall resolve on the repurchase of A Shares (including the proposed number of shares to be repurchased, the price range, the repurchase period and other matters relating to the repurchase), and the non-independent Directors shall undertake to vote in favour of such repurchase at the Board meeting. Where the repurchase of A Shares requires consideration and approval at the general meeting pursuant to the then applicable relevant provisions, the general meeting of the Company shall resolve on the repurchase of shares, which shall be approved by two-thirds or more of the voting rights held by the Shareholders present at the meeting. The Substantial Shareholders of the Company and the Shareholders serving as non-independent Directors and senior management of the Company shall undertake to vote in favour of such repurchase at the shareholders' general meeting. The repurchased shares shall be cancelled in accordance with the law and the capital reduction procedures shall be carried out by the Company in a timely manner.

3. The repurchase of shares by the Company for the purpose of stabilising the share price shall also comply with each of the following: (1) the funds for the Company's repurchase of shares shall be its own funds, and the repurchase price shall not exceed the latest audited net assets per share of

the Company; (2) the cumulative amount of funds used for repurchase in a single accounting year shall not exceed 50% of the audited net profit attributable to the Shareholders of the Company for the previous accounting year; and (3) the cumulative total amount of funds used for the repurchase of shares shall not exceed the total amount of proceeds raised from the listing of the Issuance.

**(II) Increase in Shareholding of A Shares of the Company by Non-Independent Directors and Senior Management**

1. If (1) the Company is unable to implement the share repurchase or the share repurchase proposal is not approved at the shareholders' general meeting of the Company; and (2) the Company has implemented the share repurchase plan but the condition of "the closing price of the Company's shares has been higher than the latest audited net assets per share for 5 consecutive trading days" is still not satisfied, and the increase in shareholding of the Company's shares by the non-independent Directors and senior management would not cause the Company to fail to meet the listing requirements or trigger tender offer obligations, the non-independent Directors or senior management receiving remuneration from the Company shall increase their shareholding of A Shares of the Company subject to the conditions and requirements of relevant laws, regulations and normative documents.

2. When the non-independent Directors or senior management receiving remuneration from the Company increase their shareholding of the Company's shares, the price for increasing the shareholding of A Shares of the Company shall not exceed the latest audited net assets per share of the Company; the funds used for increasing the shareholding of A Shares in a single year shall not be less than 10% of the total after-tax remuneration received by them from the Company in the previous year, and shall not exceed 20% of the total after-tax remuneration received by them from the Company in the previous year; and the conduct of increasing shareholding and the information disclosure thereof shall comply with the provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws and administrative regulations.

3. Within three years from the date of listing of the Company, if there are newly elected or newly appointed non-independent Directors or senior management who receive remuneration from the Company, they shall

perform the corresponding undertakings made by the non-independent Directors and senior management at the time of the Issuance of the Company.

**(III) Other Share Price Stabilisation Measures**

1. Subject to the laws, regulations and the relevant requirement of the CSRC and the stock exchange, and under the premise of ensuring the operating funds requirements of the Company, as approved by the Board and at the shareholders' general meeting, the Company stabilises the share price of the Company by means of profit distribution or conversion of capital reserve into share capital.

2. Subject to the laws, regulations and relevant requirements of the CSRC and the stock exchange, the Company enhances the performance of the Company and stabilises the share price of the Company through expenditure reduction, limiting remuneration of senior management, halting equity incentive plans and other means.

3. Other means required by laws, administrative regulations and normative documents and recognised by the CSRC and the stock exchange.

## IV. RE-TRIGGERING OF THE SHARE PRICE STABILISATION MEASURES

After the implementation of the Company's share price stabilisation measures, if the price of A Shares within three years after the listing of the Company again triggers the conditions for initiating the share price stabilisation measures, the Company, Substantial Shareholders, non-independent Directors, senior management and other relevant responsible parties will continue to perform the relevant obligations in accordance with the above measures. In each natural year, the obligation of the Company to mandatorily initiate the share price stabilisation measures shall be limited to once.

## V. CIRCUMSTANCES OF TERMINATION

From the date of the announcement of the Company's share price stabilisation plan, if any of the following circumstances occurs, it shall be deemed that the price stabilisation plan has been completed and their undertakings have been fulfilled, and the published share price stabilisation plan shall be terminated:

1. The closing price of the Company's A Shares has been higher than the latest audited net assets per share of the Company for 5 consecutive trading days (if there is any change in the net assets or the total number of shares of the

Company after the latest audit reference date due to profit distribution, conversion of capital reserve into share capital, issuance of new shares, rights issue and other matters, the net assets per share shall be adjusted accordingly);

2. A further repurchase of shares by the Company or the increase in shareholding of A Shares of the Company by the non-independent Directors and senior management would result in the Company's shareholding structure disqualified for the listing requirements;

3. A further increase in shareholding would trigger tender offer obligations for the non-independent Directors and/or senior management which however has no intention to launch such a tender offer; or

4. The number of shares purchased or the amount of funds used for purchasing shares by each relevant party within 12 consecutive months has reached the upper limit.

## VI. RESTRICTIVE MEASURES

1. If the relevant responsible parties fail to perform the plan for reasons other than force majeure factors such as changes in relevant laws, regulations and policies, natural disasters and wars, the relevant responsible parties shall make public explanation on specific reasons for failure to adopt the above share price stabilisation measures at the shareholders' general meeting of the Company and on the newspapers designated by the CSRC through the Company, apologise to the Shareholders of the Company and public investors, and make supplementary or alternative undertakings to safeguard the rights and interests of investors with best efforts.

2. The relevant responsible parties voluntarily accept the supervision of the regulatory authorities, self-regulatory organisations and the general public, and will bear the corresponding responsibilities in accordance with the law if they breach the relevant undertakings.

**Shanghai INT Medical Instruments Co., Ltd.***
**上海瑛泰醫療器械股份有限公司**

* *For identification purposes only*

Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**") proposes to apply for the initial public offering of shares and the listing on the ChiNext Market. In order to safeguard the interests of public investors, the Company has formulated the Shareholder Dividend Return Plan for the Three Years Following the Listing.

## ARTICLE 1 PRINCIPLES OF PROFIT DISTRIBUTION

The Company implements a sustained and stable profit distribution policy focusing on the reasonable investment returns to investors as well as the long-term sustainable development of the Company. The profit distribution of the Company shall not exceed its cumulative distributable profit.

## ARTICLE 2 SHAREHOLDER RETURN PLAN FOR THE THREE YEARS FOLLOWING THE LISTING

### (I) Profit Distribution Methods

The Company may adopt a profit distribution of cash, shares and a combination of cash and shares or other methods permitted by the laws and regulations. Provided that the Company is profitable and its cash is adequate for the Company's continuous operation and long-term development, the Company shall prioritise the distribution method of cash dividends.

### (II) Conditions, Proportion and Interval for Cash Dividends

#### *1. Conditions for cash dividends*

The cash dividend policy of the Company aims for a steady increase of dividend. The Company shall satisfy all the following conditions to implement cash dividends:

(1) the distributable profits in the consolidated financial statements and the financial statements of the parent company at the end of the period are positive;

(2) the implementation of cash dividends will not affect the Company's subsequent operations on a going concern basis;

(3) the audit firm issued an unqualified audit report on the financial report of the Company for the current year (no audit is required for interim or quarterly cash dividends); and

(4) the Company has no major investment plans or significant cash expenditures (except projects funded by raised proceeds).

Major investment plans or significant cash expenditures refer to: the Company's proposed external investments, acquisition of assets or purchase of equipment, buildings, land use rights within the next twelve months with accumulated expenditures reaching or exceeding 30% of the latest audited total assets of the Company.

*2. Proportion for cash dividends*

(1) The Company shall maintain the continuity and stability of the profit distribution policy. Subject to the satisfaction of the conditions for cash dividend, the profit distributed in cash by the Company for each year after the Company's listing shall be no less than 10% of the distributable profit realised in the year. Within any three consecutive years after the Company's listing, the cumulative profit distributed in cash by the Company shall be no less than 30% of the average annual distributable profit realised in those three years. Distributable profit not distributed in the year may be retained for distribution in the subsequent years. The profit distribution of the Company shall not exceed the scope of cumulative distributable profit, and shall not impair the Company's ability to operate as a going concern.

(2) The Board shall comprehensively consider factors such as the characteristics of the industry in which the Company operates, its development stage, its own business model, profitability, debt repayment ability and whether there are material capital expenditure arrangements and investor returns, distinguish the following conditions and propose a differentiated cash dividend policy in accordance with the procedures stipulated in the Articles of Association:

① Where the Company is at its mature stage of development with no material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 80%;

② Where the Company is at its mature stage of development with material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 40%;

③ Where the Company's development is at the growth stage with material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 20%; or

④ Where the Company's development stage is difficult to distinguish but there are material capital expenditure arrangements, cash dividends shall be processed in accordance with item ③.

*3. Interval for cash dividends*

Subject to satisfaction of the conditions for cash dividends, the Company will actively adopt the cash method to distribute dividend. In principle, cash dividends are distributed once a year. The Board of Directors of the Company may propose interim and quarterly cash dividends to the Company based on its profitability and capital requirements.

**(III) Conditions for Stock Dividends**

The Company may, based on its profitability and cash flow position in the year, focus on the share capital expansion synchronised with performance growth and consider adopting profit distribution by way of stock dividends, under the premise of ensuring the minimum cash dividend proportion and a reasonable share capital scale and shareholding structure in the Company.

**(IV) Circumstances under which Profit Distribution May be Refrained**

The Company may refrain from profit distribution under any of the following circumstances:

1. the audit report for the most recent year is a non-unqualified opinion or an unqualified opinion with a paragraph regarding significant uncertainty related to the going concern;

2. the asset-liability ratio at the end of the year is higher than 70%; or

3. the operating cash flow for the year is negative.

**ARTICLE 3 DECISION-MAKING MECHANISM AND PROCEDURES OF PROFIT DISTRIBUTION**

The annual profit distribution proposal of the Company shall be proposed and drafted by the Company's management and the Board of Directors in consideration of the requirements of the Articles of Association, profitability, capital requirements and shareholder return plans. Upon consideration and approval by the Board of Directors, it is submitted to the general meeting for consideration and approval. When the Company convenes an annual general meeting to consider the annual profit distribution proposal, it may consider and approve the conditions, maximum proportion, and maximum amount for the next year's interim cash dividend. The upper limit for the next year's interim dividend considered by the annual general meeting shall not exceed the net profit attributable to the shareholders of the listed company for the corresponding period. The Board of Directors shall formulate a specific interim dividend plan in accordance with the resolution of the general meeting and subject to the conditions of profit distribution.

Where independent directors (independent non-executive directors) are of the view that the specific cash dividend plan may harm the interests of the listed company or minority shareholders, they shall have the right to express independent opinions. Where the Board of Directors fails to adopt or fully adopt the opinions of the independent directors (independent non-executive directors), such opinions of the independent directors (independent non-executive directors), as well as the specific reasons for their non-adoption, shall be recorded in the board resolution and disclosed.

When the Board of Directors considers and formulates the profit distribution proposal, it shall carefully study and evaluate matters such as the timing, the conditions and the minimum proportion of the Company's cash dividend, the conditions for adjustment, and other decision-making procedure requirements, the independent directors (independent non-executive directors) shall express clear opinions. The Board of Directors shall record the contents in details, such as suggestions of the management, the main points of speeches by attending directors, the opinions of the independent directors (independent non-executive directors) and the voting situation of the Board of Directors, and shall prepare written records to be properly kept as the Company archives.

The Audit Committee shall supervise the implementation of the Company's profit distribution policy and the shareholders' return planning by the Board of Directors and the management, and the decision-making procedures.

The general meeting shall vote on the profit distribution proposal proposed by the Board of Directors in accordance with the laws and regulations. Prior to the consideration of the specific cash dividend plan by the general meeting, the Company shall proactively communicate and exchange views with the shareholders, especially the minority shareholders, through various channels, fully listen to opinions and demands of the minority shareholders, and promptly address the issues that the minority shareholders concern.

After the general meeting of the Company resolves on the profit distribution plan, or after the Board of Directors of the Company formulates the specific plan in accordance with the interim dividend conditions and caps for the following year as considered and approved at the annual general meeting, the distribution of dividends (or shares) shall be completed within 2 months.

## ARTICLE 4 ADJUSTMENTS TO THE PROFIT DISTRIBUTION POLICY

Where it is deemed necessary to adjust or change the profit distribution policy determined by the Articles of Association based on the production and operating conditions, investment planning, long-term growth demands, and external business environment, the Board of Directors shall be responsible for formulating an adjustment or change proposal and

submitting it to the Company's general meeting for consideration. When the general meeting considers the matters regarding the changes of the profit distribution policy, it must be passed by not less than two-thirds of voting rights held by the shareholders (including their proxies) attending the meeting, and convenience shall be provided for minority shareholders to participate in the general meetings.

## ARTICLE 5 INFORMATION DISCLOSURE ON PROFIT DISTRIBUTION

The Company shall disclose the implementation of the profit distribution proposal and cash dividend policy in the annual reports and interim reports in strict accordance with relevant regulations.

Where the Company is profitable for the year but the management and the Board of Directors have not proposed or formulated a cash dividend proposal, the management shall submit a detailed explanation to the Board of Directors in respect of such situation, including the reasons of not distributing dividends and the purposes and planned use of the funds retained by the Company instead of being used for dividends; the Audit Committee shall issue special explanations and opinions on the implementation of relevant policies and plans; it shall be submitted to the general meeting for consideration upon consideration and approval by the Board of Directors. The Board of Directors shall provide an explanation to the general meeting and disclose in the annual report.

## ARTICLE 6 OTHER MATTERS

Where a shareholder improperly occupies the Company's funds, the Company shall deduct the cash dividend allocated to such shareholder to repay the occupied funds.

This plan shall be interpreted by the Board of Directors of the Company, and shall be implemented after being considered and approved at the general meeting of the Company and upon the listing of the Company on the ChiNext Market of the Shenzhen Stock Exchange.

**Shanghai INT Medical Instruments Co., Ltd.***
**上海瑛泰醫療器械股份有限公司**

* *For identification purposes only*

Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**") proposes to apply for the initial public offering and listing on the ChiNext Market of the Shenzhen Stock Exchange (hereinafter referred to as the "**Issuance**"). In accordance with the relevant provisions of the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**") and the Shenzhen Stock Exchange, the Company has formulated the plan for measures to remedy the diluted current returns of the Company, the details of which are as follows:

The proceeds raised from the public offering of the Company will be used for the development of the Company's principal business. The proceeds utilisation plan has been thoroughly discussed by the Board and is in line with the Company's development plan and industry development trends. When the share capital and net assets of the Company increase while the proceeds-funded investment projects have not yet generated profits, if the net profit after the Issuance does not achieve a corresponding level of growth, the earnings per Share and return on net assets and other current returns to Shareholders will decline to a certain extent.

## I. MEASURES TO REMEDY THE DILUTED CURRENT RETURNS

In order to reduce the impact of the Issuance on the dilution of current returns, the Company proposes to adopt the following measures:

### 1. Actively implement the proceeds-funded investment projects to enhance the profitability and overall competitiveness of the Company

The proceeds-funded investment projects are closely centred on the existing principal business of the Company, in line with the future development strategy of the Company, and conducive to improving the Company's sustainable profitability and market competitiveness. The Board of the Company has fully discussed the proceeds-funded investment projects. After the proceeds are in place, the Company will actively promote the implementation of the proceeds-funded investment projects, actively expand the market, and further improve revenue level and profitability.

### 2. Strengthen the management of proceeds to ensure the regulated and effective use of proceeds

The Company has formulated the Management System of Proceeds (Draft) in accordance with the provisions of laws, regulations and normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange as well as the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (Draft) applicable upon the Listing, which sets out clear provisions on the deposit of proceeds in special accounts, the use, change of investment direction, management and supervision of proceeds. In order to ensure the

regulated and effective use of proceeds by the Company, after the proceeds are received, the Board of the Company will continue to supervise the deposit of proceeds in special accounts by the Company, ensure that the proceeds are used for the designated investment projects in accordance with the provisions, and cooperate with the supervising bank and the sponsor in the inspection and supervision of the use of proceeds, so as to ensure the reasonable and regulated use of proceeds and reasonably prevent risks in the use of proceeds.

**3. Actively enhance the core competitiveness of the Company and regulate the internal systems**

The Company will endeavour to further consolidate and enhance the core competitive advantages of the Company, expand the market, increase investment in research and development, expand its leading advantages in products and technology, and strive to achieve dual improvements in revenue level and profitability. The Company will strengthen its internal control and give play to the effectiveness of corporate management and control. It will promote comprehensive budget management, optimise the budget management process, strengthen cost management, enhance supervision over budget implementation, comprehensively and effectively control the Company's operating and management risks, and improve operating efficiency and profitability.

**4. Optimise profit distribution system and strengthen investor return mechanism**

In order to further improve and strengthen its profit distribution policy, establish a scientific, continuous and stable dividend mechanism, increase the transparency of profit distribution decisions and safeguard the interests of the Shareholders of the Company, the Company has, in accordance with the relevant requirements of the CSRC documents and in light of the actual circumstances of the Company, formulated the Shareholder Dividend Return Plan for the Three Years Following the Listing of the Company, which specifies the specific conditions, ratios, and forms of profit distribution, especially cash dividends, together with the conditions for share dividend distribution, and improves the Company's decision-making mechanism for profit distribution and the principles for adjusting the profit distribution policy.

After the completion of the Issuance, the Company will strictly implement the profit distribution policy, and, where the conditions for profit distribution are satisfied, actively promote profit distribution to Shareholders, and further deliver continuous, stable and scientific returns to investors, thereby effectively protecting the legitimate rights and interests of public investors.

**5. Continuously improve corporate governance to provide institutional safeguards for the development of the Company**

The Company will strictly comply with the requirements of laws, regulations and normative documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Code of Corporate Governance for Listed Companies, continuously optimise its governance structure, strengthen internal controls, and ensure that Shareholders can fully exercise their rights; ensure that the Board can exercise its powers in accordance with the provisions of laws, regulations and the Articles of Association, and make scientific, prompt and prudent decisions; ensure that the independent Directors can earnestly perform their duties and safeguard the overall interests of the Company, especially the legitimate rights and interests of the minority Shareholders; and ensure that the Audit Committee can independently and effectively exercise its supervisory and inspection powers over the Directors, senior management and the finance of the Company, so as to provide institutional safeguards for the development of the Company.

## II. Undertakings on Remedying the Diluted Current Returns

In order to ensure that the Company's measures to remedy the returns can be effectively implemented, the Directors and senior management of the Company undertake as follows:

1. to faithfully and diligently perform their duties and safeguard the legitimate rights and interests of the Company and all Shareholders; not to transfer benefits to other units or individuals without compensation or on unfair terms, nor to impair the interests of the Company by other means;

2. to restrain their duty-related consumption behaviour;

3. not to use the assets of the Company for investment or consumption activities unrelated to the performance of their duties;

4. within the scope of their duties and authority, to procure that the remuneration system formulated by the Board or the Remuneration Committee of the Company is linked to the implementation of the measures to remedy the returns; and

5. if the Company proposes to implement equity incentives, within the scope of their duties and authority, to procure that the exercise conditions of the equity incentives to be announced by the Company are linked to the implementation of the measures to remedy the returns of the Company.

If the CSRC or the Shenzhen Stock Exchange makes other new regulatory provisions regarding the measures to remedy the returns and the related undertakings, and the above undertakings cannot satisfy such provisions, they shall issue supplemental undertakings in accordance with the latest provisions of the CSRC or the Shenzhen Stock Exchange.

As one of the responsible parties for the measures to remedy the returns, if they breach the above undertakings or refuse to perform the above undertakings, they agree that the securities regulatory authorities such as the CSRC and the Shenzhen Stock Exchange shall impose penalties on them or adopt relevant regulatory measures in accordance with the relevant provisions and rules formulated or promulgated by such authorities; if the breach of the above undertakings causes losses to the Company or investors, they will be liable for compensation to the Company or investors in accordance with the law.

**Shanghai INT Medical Instruments Co., Ltd.***
**上海瑛泰醫療器械股份有限公司**

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| Before Amendment | After Amendment |
|---|---|
| **Article 1** Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**") is a joint stock limited company established 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, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Listing Rules**") and other relevant laws and administrative regulations of the PRC.<br><br>…… | **Article 1** Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**") is a joint stock limited company established 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 "**HKEX Listing Rules**"), the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "**ChiNext Listing Rules**") and other relevant laws and administrative regulations of the PRC.<br><br>…… |
| **Article 5** The Company is a joint stock limited company with perpetual existence and is an independent legal entity. The Company shall bear liability for the debts of the Company with all its ~~assets, while all the assets of the Company are divided into equal shares~~, and the shareholders shall bear liability for the Company to the extent of the shares they subscribe. | **Article 5** The Company is a joint stock limited company with perpetual existence and is an independent legal entity. The Company shall bear liability for the debts of the Company with all its property, and the shareholders shall bear liability for the Company to the extent of the shares they subscribe. |
| **Article 10** The business objectives of the Company are to adhere to the development philosophy of "~~"~~science and technology serves health,~~ and quality builds distinction",~~ and is committed to building a globally renowned group of~~ interventional and implantable~~ medical devices led by science and technology innovation, to achieve co-existence, win-win partnership and common development with customers, business partners and all employees, and to create sound economic returns for all shareholders to the utmost extent while creating good social benefits, thereby contributing to the global human health. | **Article 10** The business objectives of the Company are to adhere to the development philosophy of science and technology serves health, and is committed to building a globally renowned group of medical devices led by science and technology innovation, to achieve co-existence, win-win partnership and common development with customers, business partners and all employees, and to create sound economic returns for all shareholders to the utmost extent while creating good social benefits, thereby contributing to the global human health. |

| Before Amendment | After Amendment |
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| **Article 11** The business scope of the Company is:<br><br>Licensed items of business: production of Class II medical devices; production of Class III medical devices; operation of Class III medical devices; inspection and testing services. (For the above items subjects to the administrative approval, approvals from the relevant authorities must be obtained prior to operation. Special items shall be subject to approvals or licenses from relevant authorities)<br><br>General items of business: sales of Class II medical devices; production of instruments and apparatuses; sales of instruments and apparatuses; sales of Class I medical devices; production of daily-use masks (non-medical); sales of daily-use masks (non-medical); import and export of goods; import and export of technology; service of technology; development of technology; consultation of technology; transfer of technology; promotion of technology; property management; housing rental; sales of electronic products; sales of metal materials; sales of chemical products (excluding licensed chemical products); sales of plastic products; sales of molds. (Except for the items subject to the administrative approval, the Company carries out operating activities listed in its business license freely according to the law)<br><br>…… | **Article 11** The business scope of the Company is:<br><br>Licensed items of business: production of Class II medical devices; production of Class III medical devices; operation of Class III medical devices; inspection and testing services; catering service. (For the above items subjects to the administrative approval, approvals from the relevant authorities must be obtained prior to operation. Special items shall be subject to approvals or licenses from relevant authorities)<br><br>General items of business: sales of Class II medical devices; production of instruments and apparatuses; sales of instruments and apparatuses; sales of Class I medical devices; production of daily-use masks (non-medical); sales of daily-use masks (non-medical); import and export of goods; import and export of technology; service of technology; development of technology; consultation of technology; transfer of technology; promotion of technology; property management; housing rental; sales of electronic products; sales of metal materials; sales of chemical products (excluding licensed chemical products); sales of plastic products; sales of molds; sales of mechanical equipment; leasing of mechanical equipment; technical services for solar power generation; human resources services (excluding job intermediary activities and labour dispatch services); conference and exhibition services (organising exhibitions abroad requires approval from relevant departments); leasing services (excluding licensed leasing services); financial consulting; enterprise management consulting. (Except for the items subject to the administrative approval, the Company carries out operating activities listed in its business license freely according to the law)<br><br>…… |
| **Article 14** Foreign shares issued by the Company to list in The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Stock Exchange**") shall be called H Shares~~. H Shares~~ are overseas listed foreign shares.<br><br>As domestic shares of the Company listed on the Hong Kong Stock Exchange as approved by the securities regulatory authority under the State Council shall be of the same class as overseas listed foreign shares, they shall be collectively referred to as overseas listed shares.<br><br>~~Both holders of domestic shares and holders of overseas listed shares are common shareholders and shall have the same rights and obligations.~~ | **Article 14** Foreign shares issued by the Company to list in The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Stock Exchange**") shall be called "H Shares", which are overseas listed foreign shares.<br><br>As original domestic shares of the Company listed on the Hong Kong Stock Exchange as approved by the securities regulatory authority under the State Council shall be of the same class as overseas listed foreign shares, they shall be collectively referred to as "overseas listed shares" or "H Shares". |

| Before Amendment | After Amendment |
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| **Article 16** In August 2019, with the approval of China Securities Regulatory Commission, the number of the overseas listed foreign shares listed and initially issued by the Company on the Hong Kong Stock Exchange was 40,000,000. In November 2019, the number of the overseas listed foreign shares listed and issued after the over-allotment option by the Company on the Hong Kong Stock Exchange was 6,000,000. In May 2021, the number of the domestic shares issued by the Company was 2,000,000. In October 2023, the number of the domestic shares issued by the Company was 3,000,000. In March 2024, the number of the domestic shares issued by the Company was 5,000,000. In January 2026, the number of the overseas listed foreign shares issued by the Company on the Hong Kong Stock Exchange was 35,200,000.<br><br>~~The Company's equity structure is 211,200,000 ordinary shares. Among them, 71,786,608 shares held by domestic shareholders, accounting for 33.9899%, and 139,413,392 shares held by holders of overseas listed foreign shares, accounting for 66.0101%.~~ | **Article 16** In August 2019, with the approval of China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**"), the number of the overseas listed foreign shares listed and initially issued by the Company on the Hong Kong Stock Exchange was 40,000,000. In November 2019, the number of the overseas listed foreign shares listed and issued after the over-allotment option by the Company on the Hong Kong Stock Exchange was 6,000,000. In May 2021, the number of the domestic shares issued by the Company was 2,000,000. In October 2023, the number of the domestic shares issued by the Company was 3,000,000. In March 2024, the number of the domestic shares issued by the Company was 5,000,000. In January 2026, the number of the overseas listed foreign shares issued by the Company on the Hong Kong Stock Exchange was 35,200,000.<br><br>The Company, upon registration with the CSRC on [●], issued [●] RMB ordinary shares to the public for the first time and was listed on the ChiNext Market of the Shenzhen Stock Exchange on [●]. The shares issued by the Company and listed on the Shenzhen Stock Exchange are collectively referred to as "**A Shares**".<br><br>The share capital structure of the Company is: [●] ordinary shares, comprising [●] A Shares, representing [●]% of the total number of ordinary shares issued by the Company, and [●] H Shares, representing [●]% of the total number of ordinary shares issued by the Company.<br><br>A Shares issued by the Company shall be deposited with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited; H Shares issued by the Company shall be mainly deposited with the nominee company under Hong Kong Securities Clearing Company Limited, and may also be held by shareholders in their own names. |
| **Article 17** The existing registered capital of the Company is RMB~~211,200,000~~. | **Article 17** The existing registered capital of the Company is RMB[●]. |
| **Article 21**<br><br>……<br><br>(VI) it is necessary for the Company to maintain its value and the shareholders' equity. | **Article 21**<br><br>.....<br><br>(VI) it is necessary for the Company to maintain its value and the shareholders' equity;<br><br>(VII) other circumstances as permitted by the laws, regulations and the regulatory rules of the places where the Company's shares are listed. |
| **Article 22** .....The Company acquires its own shares due to the circumstances stipulated in (III), (V) or (VI) of Article 21 of these Articles of Association shall be conducted by way of open and centralized transaction. | **Article 22** .....The Company acquires its own shares due to the circumstances stipulated in (III), (V) or (VI) of Article 21 of these Articles of Association shall be conducted by way of open and centralized transaction. If the stock exchanges of the places where the Company's shares are listed have other provisions, such provisions shall prevail. |

| Before Amendment | After Amendment |
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| **Article 28** The shares issued by the Company before its public offering shall not be transferred within one year from the date when the Company's shares are listed and traded at the stock exchange.<br><br>The directors and senior management of the Company shall report to the Company their shareholdings in the Company and changes thereof and shall not transfer more than 25% of all the shares they hold in the Company per annum during their terms of office determined at the time of taking office; the aforesaid persons shall not transfer their shares in the Company within one year from the date when the Company's shares are listed and traded at the stock exchange; the aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company. Such restrictions shall comply with the relevant provisions of the ~~Main Board~~ Listing Rules if overseas listed shares are involved. | **Article 28** The shares of the Company shall be transferred in accordance with the laws.<br><br>The shares issued by the Company before its public offering shall not be transferred within one year from the date when the Company's shares are listed and traded at the stock exchange.<br><br>The directors and senior management of the Company shall report to the Company their shareholdings in the Company and changes thereof and shall not transfer more than 25% of total number of shares they hold in the Company per annum during their terms of office determined at the time of taking office; the aforesaid persons shall not transfer their shares in the Company within one year from the date when the Company's shares are listed and traded at the stock exchange; the aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company. Such restrictions shall comply with the relevant provisions of the HKEX Listing Rules if overseas listed shares are involved.<br><br>The term "total number of shares" referred to in the preceding paragraph refers to the sum of the number of the Company's RMB ordinary shares (A Shares) and overseas listed shares (including H Shares, etc.), with preferred shares not included in the total number of shares. |
| ~~**Article 30** Subject to approval of the securities regulatory authorities under the State Council, holders of domestic shares of the Company may transfer all or part of their shares to foreign investors and have their shares listed and traded on an overseas stock exchange and may convert all or part of the domestic shares into overseas listed shares, and have these shares listed traded on an overseas stock exchange. The converted shares shall also comply with the regulatory procedures, provisions and requirements of the overseas securities market when listed and traded on an overseas stock exchange.~~<br><br>~~The Company does not need to hold a shareholders' general meeting or a class shareholders' general meeting to vote for the listing and trading of the converted shares on an overseas stock exchange or the conversion of domestic shares into overseas listed shares for listing and trading on an overseas stock exchange. The overseas listed shares converted from domestic shares shall be of the same class with as original overseas listed shares foreign shares, and they are both overseas listed shares.~~ | Deleted |

| Before Amendment | After Amendment |
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| **Article 31** Any change resulting from share transfers made to the register of shareholders prior to a shareholders' general meeting or the record date set by the Company for the purpose of distribution of dividends shall comply with the relevant provisions of laws, administrative regulations, rules and the securities regulatory authority of the place where the Company's shares are listed. ~~Where the Company convenes a shareholders' general meeting, distributes dividends, conducts liquidation or other activities requiring confirmation of shareholders' identities, the Board of Directors or the convenor of the shareholders' general meeting shall fix a date as the record date, and only shareholders whose names appear on the register of shareholders at the close of trading on such record date shall be entitled to the relevant rights and interests.~~ | **Article 30** Any change resulting from share transfers made to the register of shareholders prior to a shareholders' general meeting or the record date set by the Company for the purpose of distribution of dividends shall comply with the relevant provisions of laws, administrative regulations, rules and the securities regulatory authority of the place where the Company's shares are listed. |
| **Article 33** Any shareholder who is registered in, or any person who requests to have his/her name entered in, the register of shareholders may, if his/her share certificates (hereinafter referred to as the "**Original Certificates**") are lost, apply to the Company for replacement share certificates in respect of such shares (hereinafter referred to as the "**Relevant Shares**").<br><br>~~If a holder of domestic shares loses his/her share certificates and applies for their replacement, it shall be dealt with in accordance with the relevant requirements of the Company Law.~~<br><br>If a holder of overseas listed shares loses his/her share certificates and applies for their replacement, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of holders of overseas listed shares is maintained.<br><br>..... | **Article 32** Any shareholder who is registered in, or any person who requests to have his/her name entered in, the register of shareholders may, if his/her share certificates (hereinafter referred to as the "**Original Certificates**") are lost, apply to the Company for replacement share certificates in respect of such shares (hereinafter referred to as the "**Relevant Shares**").<br><br>If a holder of overseas listed shares loses his/her share certificates and applies for their replacement, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of holders of overseas listed shares is maintained.<br><br>..... |

| Before Amendment | After Amendment |
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| **Article 46**<br>.....<br>(IX) to consider and approve ~~the guarantee matters stipulated in Article 48 of~~ these Articles of Association;<br>(X) to consider the acquisition or disposal of material assets by the Company within one year with a value exceeding 30% of the latest audited total assets of the Company;<br>.....<br>(XIII) to consider other matters that should be decided by the shareholders' general meeting in accordance with laws, administrative regulations, departmental rules and these Articles of Association.<br>..... | **Article 45**<br>.....<br>(IX) to consider and approve the external guarantee matters, financial assistance matters and transaction (related party (connected) transactions) matters that shall be reviewed at the shareholders' general meeting as stipulated in these Articles of Association;<br>(X) to consider the acquisition or disposal of material assets by the Company within one year with an accumulated amount exceeding 30% of the latest audited total assets of the Company;<br>.....<br>(XIII) to consider other matters that should be decided by the shareholders' general meeting in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed and these Articles of Association.<br>.....<br>Unless otherwise provided by laws, administrative regulations, regulations of the CSRC or rules of the stock exchanges of the places where the Company's shares are listed, the above functions and powers of the shareholders' general meeting shall not be performed by the Board of Directors or any other body or individual in the form of authorisation. |
| **Article 47** The provision of any external guarantee of the Company shall be considered and passed by the Board. ~~The guarantee offered by the Company to a shareholder or de facto controller and its related party of the Company shall be approved by the shareholders' general meeting.~~<br>..... | **Article 46** The provision of any external guarantee (including guarantees provided for controlled subsidiaries) of the Company shall be considered and passed by the Board, and shall be disclosed in a timely manner.<br>..... |

| Before Amendment | After Amendment |
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| **Article 48** The following guaranty acts of the Company shall be considered and approved by the shareholders' general meeting.<br><br>(1) any guarantee that the total amount of external guarantees of the Company and its subsidiaries controlled by the Company exceeds 50% of the audited net assets of the Company of the latest period;<br><br>(2) any guarantee that the total amount of the Company's external guarantee exceeds 30% of the total audited assets of the Company for the latest period;<br><br>(3) the amount guaranteed to others ~~by the Company within one year~~ exceeds 30% of the total audited assets of the Company in the latest period;<br><br>(4) guarantees for objects with an asset-liability ratio of more than 70%;<br><br>(5) the amount of a single guarantee exceeds 10% of the audited net assets of the Company of the latest period;<br><br>(6) guarantees provided to shareholders, actual controllers and their affiliates. | **Article 47** The following guaranty acts of the Company shall be considered and approved by the shareholders' general meeting.<br><br>(1) any guarantee that the total amount of external guarantees of the Company and its subsidiaries controlled by the Company exceeds 50% of the audited net assets of the Company of the latest period;<br><br>(2) any guarantee that the total amount of external guarantees of the Company and its subsidiaries controlled by the Company exceeds 30% of the total audited assets of the Company for the latest period;<br><br>(3) the amount guaranteed to others within twelve consecutive months exceeds 30% of the total audited assets of the Company in the latest period;<br><br>(4) the amount guaranteed within twelve consecutive months exceeds 50% of the audited net assets of the Company of the latest period with the absolute amount over RMB50 million;<br><br>(5) guarantees for objects with an asset-liability ratio of more than 70%;<br><br>(6) the amount of a single guarantee exceeds 10% of the audited net assets of the Company of the latest period;<br><br>(7) guarantees provided to shareholders, actual controllers and their related (connected) parties;<br><br>(8) other guarantees as stipulated by regulations of the CSRC, the stock exchanges of the places where the Company's shares are listed or these Articles of Association.<br><br>In the event that the guarantee referred to in item (3) above is considered at the shareholders' general meeting of the Company, it shall be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.<br><br>Where an external guarantee constitutes a discloseable transaction or a related party (connected) transaction under the HKEX Listing Rules, or where otherwise provided by the stock exchanges of the places where the Company's shares are listed, the relevant provisions shall be complied with.<br><br>Where any director, general manager, other senior management personnel or any other person of the Company fails to follow the review procedures for external guarantees as required by these Articles of Association and signs a guarantee contract without authorisation, the parties concerned shall be held accountable. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 48** Where the Company provides guarantees for its wholly-owned subsidiaries, or guarantees for its controlled subsidiaries and other shareholders of the controlled subsidiaries provide guarantees in the same proportion of their interests, and such guarantee falls within the circumstances set out in items (1), (4), (5) and (6) of paragraph 1 of Article 47, it may be exempted from being submitted to the shareholders' general meeting for consideration. |
| **[Newly added]** | **Article 49** Where any financial assistance (including entrusted loans) provided by the Company falls under any of the following circumstances, it shall be submitted to the shareholders' general meeting for consideration after being approved by the Board of Directors:<br>(I) the amount of a single financial assistance exceeds 10% of the audited net assets of the Company of the latest period;<br>(II) the latest audited asset-liability ratio of the target which is provided with financial assistance exceeds 70%;<br>(III) the cumulative amount of financial assistance within twelve consecutive months exceeds 10% of the audited net assets of the Company of the latest period;<br>(IV) other circumstances as stipulated in the stock exchanges of the places where the Company's shares are listed or these Articles of Association.<br>Where the target of assistance of the Company is a controlling subsidiary within the scope of the Company's consolidated statements with a shareholding of more than 50%, and the other shareholders of such controlling subsidiary do not include the Company's controlling shareholders, actual controllers and their related parties (connected persons), the financial assistance may be exempted from the provisions of the preceding paragraph. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 50** In addition to the provisions of Article 47 and Article 49 of these Articles of Association and unless otherwise provided by the stock exchanges of the places where the Company's shares are listed, where a transaction of the Company satisfies any of the following conditions, the Company shall disclose it in a timely manner and submit it to the shareholders' general meeting for consideration:<br>(I) the total assets involved in the transaction accounts for 50% or more of the Company's latest audited total assets, if the total assets involved in the transaction have both book value and appraised value, whichever the higher shall prevail;<br>(II) the relevant operating revenue of the subject matter (such as equity interest) of the transaction in the latest accounting year accounts for 50% or more of the Company's audited operating revenue in the latest accounting year, and the absolute amount exceeds RMB50 million;<br>(III) the relevant net profit of the subject matter (such as equity interest) of the transaction in the latest accounting year accounts for 50% or more of the Company's audited net profit in the latest accounting year, and the absolute amount exceeds RMB5 million;<br>(IV) the amount of the transaction (including assumed liabilities and expenses) accounts for 50% or more of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;<br>(V) the profit derived from the transaction accounts for 50% or more of the Company's audited net profit in the latest accounting year, and the absolute amount exceeds RMB5 million.<br>Where the figure used in the calculation of the above indicators is a negative value, its absolute value shall be taken. |

| Before Amendment | After Amendment |
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| | The term "transaction" referred to in this Article includes the following types of matters occurring outside the Company's daily operating activities: acquisition of assets; sale of assets; external investment (including entrusted wealth management, investment in subsidiaries but excluding the establishment of or capital increase to wholly-owned subsidiaries), leasing in or out assets; entrusted or commissioned management of assets and businesses; donating assets or accepting asset donations; restructuring of claims or debts; transfer of research and development projects; enter into license agreements, waiver of rights (including waiver of the right of first refusal and the pre-emptive subscription right); and other transactions recognised by the stock exchanges of the places where the Company's shares are listed.<br><br>The following activities do not fall within the scope of matters specified in the preceding paragraph:<br><br>(I) purchase of raw materials, fuels and power related to daily operation (excluding the purchase or sale of such assets involved in assets swap);<br><br>(II) sale of products, commodities and other assets related to daily operation (excluding the purchase or sale of such assets involved in assets swap);<br><br>(III) the transactions specified in the preceding paragraph but falling within the scope of the principal business activities of the Company.<br><br>The transactions of the Company that fall within any of the following circumstances may be exempted from the submission to the shareholders' general meeting for consideration in accordance with the provisions of this Article, and should be subject to disclosure obligations in accordance with relevant requirements:<br><br>(I) the transactions in which the Company receives unilateral benefits, including gifts of assets in cash and debt reduction or relief, and other transactions that do not involve payment of consideration or attachment of any obligations;<br><br>(II) the transactions of the Company that only meet the criteria set out in item (III) or item (V) of paragraph 1 of this Article, and the absolute value of the Company's earnings per share for the latest accounting year is less than RMB0.05. |
| **[Newly added]** | **Article 51** Where the transaction (other than provision of guarantees) is entered into between a listed company and a related party (connected person) with an amount of more than RMB30 million and representing more than 5% of the absolute value of the latest audited net assets of the company, it shall be submitted to the shareholders' general meeting for consideration. |

| Before Amendment | After Amendment |
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| **Article 50**<br>.....<br>(V) other situations stipulated in laws, administrative regulations, departmental rules or these Articles of Association. | **Article 53**<br>.....<br>(V) other situations stipulated in laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed or these Articles of Association. |
| **[Newly added]** | **Article 54** The venue of the shareholders' general meeting convened by the Company shall be the domicile of the Company or the place specified in the notice of the shareholders' general meeting as determined by the convenor of the shareholders' general meeting. Once the notice of a shareholders' general meeting is issued, the venue of the on-site shareholders' general meeting shall not be altered without proper reason. In the event of alteration, the convenor shall make an announcement to state the reasons at least two working days prior to the convening date of the on-site meeting.<br>The shareholders' general meeting shall have a venue and be held on-site. At the same time, it can also be held through electronic communication methods. The Company should make it convenient for shareholders by using secure, economic and convenient network or other methods according to laws, administrative regulations and regulations of the CSRC, the stock exchanges of the places where the Company's shares are listed or these Articles of Association. |
| **[Newly added]** | **Article 55** When holding a shareholders' general meeting, the Company shall engage lawyers to advise on the following matters and make an announcement:<br>(I) whether the procedures for convening and holding the meeting are compliant with the provisions of laws, administrative regulations and these Articles of Association;<br>(II) whether the qualifications of the attendees and the convenors are lawful and valid;<br>(III) whether the voting procedures and results of the meeting are lawful and valid;<br>(IV) legal opinion on other relevant matters at the request of the Company. |

| Before Amendment | After Amendment |
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| **Article 57** When the Company convenes a shareholders' general meeting, the Board of Directors, the Audit Committee and any shareholders individually or jointly holding 1% or more of the Company's shares (including preferred shares with restored voting rights, etc.) shall have the right to put forward proposals to the Company.<br><br>When the Company convenes a shareholders' general meeting, shareholders individually or jointly holding 1% or more of the total voting shares (including preferred shares with restored voting rights, etc.) of the Company are entitled to propose new resolutions in writing to the Company and submit them to the convenor 10 days before the meeting. Temporary proposals should have clear agenda items and specific resolution matters. The convenor shall issue a supplementary notice of the shareholders' general meeting within 2 days after receiving the proposal, notify other shareholders, announce the name or title of the shareholder who proposed the temporary proposal, their shareholding ratio, and the content of the new proposal, and submit the temporary proposal to the shareholders' general meeting for review. Except for temporary proposals that violate laws, administrative regulations, or the provisions of these Articles of Association, or are not within the scope of the shareholders' general meeting's powers. The Company shall not increase the shareholding ratio of shareholders who propose temporary proposals.<br><br>~~Prior to the convening of the shareholders' general meeting, if eligible shareholders submit temporary proposals, their shareholding ratio during the period from the issuance of the proposal notice to the announcement of the meeting resolution shall not be less than 1%.~~<br><br>Except for the circumstances specified in the preceding paragraph, the convenor shall not modify the proposals already listed in the notice of the shareholders' general meeting or add new proposals after issuing the notice of the shareholders' general meeting. Proposals that are not listed in the notice of the shareholders' general meeting or do not comply with the provisions of these Articles of Association shall not be voted on and resolutions shall not be made by the shareholders' general meeting. | **Article 62** When the Company convenes a shareholders' general meeting, the Board of Directors, the Audit Committee and any shareholders individually or jointly holding 1% or more of the Company's shares (including preferred shares with restored voting rights, etc.) shall have the right to put forward proposals to the Company.<br><br>The content of a proposal shall be within the functions and powers of the shareholders' general meeting, have definite issues for discussion and specific resolutions, and comply with the relevant provisions of the laws, administrative regulations and these Articles of Association.<br><br>When the Company convenes a shareholders' general meeting, shareholders individually or jointly holding 1% or more of the total voting shares (including preferred shares with restored voting rights, etc.) of the Company are entitled to propose new resolutions in writing to the Company and submit them to the convenor 10 days before the meeting. Temporary proposals should have clear agenda items and specific resolution matters. The convenor shall issue a supplementary notice of the shareholders' general meeting within 2 days after receiving the proposal, notify other shareholders, announce the name or title of the shareholder who proposed the temporary proposal, their shareholding ratio, and the content of the new proposal, and submit the temporary proposal to the shareholders' general meeting for review. Except for temporary proposals that violate laws, administrative regulations, or the provisions of these Articles of Association, or are not within the scope of the shareholders' general meeting's powers. The Company shall not increase the shareholding ratio of shareholders who propose temporary proposals.<br><br>Except for the circumstances specified in the preceding paragraph, the convenor shall not modify the proposals already listed in the notice of the shareholders' general meeting or add new proposals after issuing the notice of the shareholders' general meeting. Proposals that are not listed in the notice of the shareholders' general meeting or do not comply with the provisions of these Articles of Association shall not be voted on and resolutions shall not be made by the shareholders' general meeting.<br><br>Prior to the convening of the shareholders' general meeting, if eligible shareholders submit temporary proposals, their shareholding ratio during the period from the issuance of the proposal notice to the announcement of the meeting resolution shall not be less than 1%. |
| ~~**Article 59** The shareholders' general meeting shall not decide on any matter not stated in the notice as referred in Article 57 and Article 58 of the Articles of Association.~~ | Deleted |

| Before Amendment | After Amendment |
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| **Article 60**<br>.....<br>(VI) it shall disclose the voting times and procedures online or otherwise. | **Article 64**<br>.....<br>(VI) it shall disclose the voting times and procedures online or otherwise.<br>The notice and supplementary notice of the shareholders' general meeting shall fully and completely disclose all specific details of every proposal, as well as all information or explanations necessary for shareholders to make a reasonable judgment regarding the matters to be discussed.<br>The interval between the record date and the date of the shareholders' general meeting shall not be more than seven working days. Once the record date is confirmed, no change may be made thereto. |
| **Article 61**<br>.....<br>(4) whether it has been punished by the CSRC and other relevant departments and punished by the stock exchanges.<br>Except for the cumulative voting system for the election of directors, each candidate for director shall submit a single proposal. | **Article 65**<br>.....<br>(4) whether it has been punished by the CSRC and other relevant departments and punished by the stock exchanges;<br>(5) such other information in relation to the newly appointed, re-elected or redesignated directors as is required to be disclosed under the regulatory rules of the places where the Company's shares are listed.<br>Except for the cumulative voting system for the election of directors, each candidate for director shall submit a single proposal.<br>Where a proposal for the election of directors is passed by the shareholders' general meeting, the newly elected directors shall take office immediately upon the conclusion of the meeting, unless the election proposal passed by the shareholders' general meeting specifies otherwise in respect of the time of taking office. |
| **[Newly added]** | **Article 67** All holders of ordinary shares registered on the register of members on the record date (including holders of preferred shares whose voting rights have been reinstated), holders of shares with special voting rights, and other shareholders or their proxies shall have the right to attend shareholders' general meetings and exercise voting rights in accordance with the relevant laws, regulations and these Articles of Association.<br>A shareholder may attend a shareholders' general meeting in person or appoint a proxy to attend and vote on his/her behalf. |

| Before Amendment | After Amendment |
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| **Article 63** Shareholders are entitled to speak at general meetings and to vote at general meetings unless individual shareholders are required by the listing rules to waive their voting rights in respect of individual matters. The Company can provide convenience for shareholders to attend general meetings through video conferences, telephone conferences, and other means, allowing shareholders to use technology to attend and vote electronically in a virtual manner. Any shareholder entitled to attend and vote at a shareholders' general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. According to the appointment of the shareholder, a proxy so appointed shall:<br>(I) have the same right as the shareholder to speak at the meeting;<br>(II) have the right to individually or jointly demand a poll;<br>~~(III) have the right to vote by hand or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.~~<br>~~The clearing company~~ shall have the right to appoint representatives or representatives of the Company to attend general meetings and creditor meetings of the Company and such representatives or representatives of the Company shall have the same legal rights as other shareholders, including the right to speak and vote. | **Article 68** Shareholders are entitled to speak at general meetings and to vote at general meetings unless individual shareholders are required by the listing rules of the stock exchanges of the places where the Company's shares are listed to waive their voting rights or recuse themselves from voting in respect of individual matters. The Company can provide convenience for shareholders to attend general meetings through video conferences, telephone conferences, and other means, allowing shareholders to use technology to attend and vote electronically in a virtual manner. Any shareholder entitled to attend and vote at a shareholders' general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. According to the appointment of the shareholder, a proxy so appointed shall:<br>(I) have the same right as the shareholder to speak at the meeting;<br>(II) have the right to individually or jointly demand a recorded poll.<br>HKSCC Nominees Limited shall have the right to appoint representatives or representatives of the Company to attend general meetings and creditor meetings of the Company and such representatives or representatives of the Company shall have the same legal rights as other shareholders, including the right to speak and vote. |
| **Article 66**<br>.....<br>(III) Specific instructions from shareholders, including instructions to vote in favor, against, or abstain from each item on the agenda of the shareholders' general meeting;<br>..... | **Article 71**<br>.....<br>(III) Specific instructions from shareholders, including instructions to vote in favor, against, or abstain from each item on the agenda of the shareholders' general meeting. A power of attorney shall state clearly that the proxy shall be entitled to vote or not at his/her discretion in the absence of specific instructions from the shareholder;<br>..... |
| **[Newly added]** | **Article 72** Where the power of attorney for voting by proxy is signed by another person as authorised by the principal, the power of attorney or other authorisation document shall be notarized. The notarized power of attorney or other authorisation document, together with the proxy form, shall be deposited at the domicile of the Company or at such other place as specified in the notice of the meeting. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 73** The register of attendees is to be prepared by the Company. The register contains matters such as names of attendees (or names of companies/ organisations), identity card numbers, number of shares carrying the voting right held or represented, and names of persons represented (or names of companies/ organisations). |
| **[Newly added]** | **Article 74** The convenor and the lawyers engaged by the Company shall jointly verify the legitimacy of the eligibility of the shareholders based on the register of shareholders provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the number of shares with voting rights that are held by them. The registration for the meeting shall close before the chairman of the meeting announces the number of shareholders and proxies attending the on-site meeting and the total number of shares with voting rights that they represent. |
| **[Newly added]** | **Article 75** If the shareholders' general meeting requires all the directors and senior management members to attend the meeting, they shall attend and answer or explain inquiries made by shareholders. Subject to the securities regulatory rules of the places where the Company's shares are listed, the aforesaid persons may attend the meeting via internet, video, telephone or other means with equivalent effect. Directors and senior management members shall provide explanations and statements on the inquiries and suggestions put forward by shareholders at the shareholders' general meeting.<br><br>In any of the following circumstances, directors and senior management members may refuse to answer the inquiries but shall explain the reasons to the inquirer:<br><br>(I) the inquiry is irrelevant to the agenda items of the meeting;<br><br>(II) the matter involved in the inquiry requires further verification;<br><br>(III) the inquiry involves trade secrets of the Company;<br><br>(IV) answering the inquiry would result in a violation of the obligation of fair information disclosure;<br><br>(V) other legitimate causes. |
| **Article 67** A shareholders' general meeting shall be convened by the Board of Directors and chaired by the chairman of the Board.<br><br>..... | **Article 76** A shareholders' general meeting shall be convened by the Board of Directors and chaired and presided over by the chairman of the Board.<br><br>..... |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 77** The Company shall formulate the rules of procedures for the shareholders' general meeting to specify in detail the convening, holding and voting procedures of shareholders' general meetings, including notice, registration, consideration of proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, preparation and signing of minutes, announcement and other relevant matters, as well as the principles governing the authorisation granted by the shareholders' general meeting to the Board of Directors. All contents of authorisation shall be clear and specific. The rules of procedures for the shareholders' general meeting shall constitute an annex to these Articles of Association, be formulated by the Board of Directors and approved by the shareholders' general meeting. |
| **[Newly added]** | **Article 78** At the annual shareholders' general meeting, the Board of Directors shall report to the shareholders' general meeting on their work during the preceding year. Each of the independent directors (independent non-executive directors) shall also report their work. |
| **[Newly added]** | **Article 79** The chairman of the meeting shall announce, prior to voting, the number of shareholders and proxies present at the meeting and the total number of voting shares held by them. Such number of shareholders and proxies present at the meeting and the total voting shares held by them shall be determined by reference to the meeting registration. |
| **[Newly added]** | **Article 80** Minutes of each shareholders' general meeting shall be maintained by the secretary to the Board. The minutes shall set out the following particulars:<br>(I) the time, venue and agenda of the meeting, and the name of the convenor;<br>(II) the name of the chairman of the meeting and the names of directors and senior management present at the meeting;<br>(III) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and the percentage such shares represent of the total issued shares of the Company;<br>(IV) the deliberation process, key speaking points and voting results in respect of each proposal;<br>(V) inquiries or suggestions raised by shareholders and the corresponding responses or explanations;<br>(VI) names of lawyer, vote counter and scrutineer;<br>(VII) any other matters required to be recorded in the minutes pursuant to these Articles of Association. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 81** The convenor shall ensure that the contents of the minutes are true, accurate and complete. Directors, the secretary to the Board, the convenor or his/her representative, and the chairman attending or present at the meeting shall sign the minutes. The minutes shall be kept together with the signature register of shareholders attending in person, the proxy forms for shareholders attending by proxy, and valid records of votes cast by internet or other means, for a period of not less than 10 years. |
| **[Newly added]** | **Article 82** The convenor shall ensure that the shareholders' general meeting continues until a final resolution is reached. In the event that the shareholders' general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be terminated directly and an announcement shall be made in a timely manner. Meanwhile, the convenor shall report the same to the regional offices of the CSRC at the place where the Company is domiciled and the stock exchanges of the places where the Company's shares are listed. |
| **Article 68**<br>.....<br>A shareholder (including his/her proxy) present the meeting shall vote in favor of or against or abstain from voting on each resolution relating to every matter which has been put to vote at the relevant meeting, except where the securities registration and clearing institution, as a nominee holder under the Mainland-Hong Kong Stock Connect Scheme, makes declarations according to the intentions of the actual holders. ~~If a shareholder or his/her proxy casts abstention vote or abstains from voting, any vote cast by such shareholder or his/her proxy shall not be counted in the voting results of the Company.~~ | **Article 83**<br>.....<br>A shareholder (including his/her proxy) present the meeting shall vote in favor of or against or abstain from voting on each resolution relating to every matter which has been put to vote at the relevant meeting, except where the securities registration and clearing institution, as a nominee holder under the Mainland-Hong Kong Stock Connect Scheme, makes declarations according to the intentions of the actual holders. Any vote which is not filled or filled wrongly or with unrecognisable writing or not cast shall be deemed that the voter has waived his/her voting rights, and the voting results representing the shares held by them shall be regarded as "abstain". |
| **Article 69** Where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or dissenting vote on a certain issue in accordance with the Listing Rules, any vote cast by the said shareholder or proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results. | **Article 84** Where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or dissenting vote on a certain issue in accordance with the HKEX Listing Rules, any vote cast by the said shareholder or proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 85** The list of director candidates shall be submitted to the shareholders' general meeting for voting by way of a proposal. The methods and procedures for nomination of directors are as follows:<br><br>(I) The incumbent Board of Directors of the Company, or any shareholder(s) holding 1% or more of the issued shares of the Company individually or collectively, may nominate candidates for directors who are not employee representatives. The Nomination Committee of the Board shall conduct qualification review. Candidates who satisfy the qualification requirements upon review shall be submitted by the Board of Directors to the shareholders' general meeting for election by way of a proposal;<br><br>(II) Directors who are employee representatives shall be democratically elected by the employees of the Company through the employee representative assembly, employee assembly or other forms, and are not required to be submitted to the shareholders' general meeting for deliberation.<br><br>The Board of Directors shall disclose the biographies and basic particulars of the candidates in the notice of the shareholders' general meeting. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 86** When the shareholders' general meeting votes on the election of directors, the cumulative voting system may be implemented in accordance with the provisions of this Articles of Association or the resolution of the shareholders' general meeting. The cumulative voting system shall be implemented when the shareholders' general meeting elects two or more independent directors, or when the shares held by a single shareholder of the Company and its concerted parties account for 30% or more of the total shares.<br><br>The cumulative voting system referred to in the preceding paragraph means that, in the election of directors at a shareholders' general meeting, each share carries voting rights equal to the number of directors to be elected, and a shareholder may aggregate and cast such voting rights in favour of any candidate or candidates.<br><br>The following principles shall be observed where the cumulative voting system is adopted for voting at a shareholders' general meeting:<br><br>(I) The number of candidates may exceed the number of directors proposed to be elected by the shareholders' general meeting, provided that the number of candidates for whom a shareholder casts votes must not exceed the number of directors proposed to be elected, and the aggregate votes allocated must not exceed the total votes held by the shareholder; failing which, such vote shall be invalid;<br><br>(II) Independent directors (independent non-executive directors) and non-independent directors shall be voted for separately. For the election of independent directors (independent non-executive directors), the number of votes available to each shareholder shall be the product of the number of shares held by such shareholder multiplied by the number of independent directors (independent non-executive directors) proposed to be elected, and such votes may only be cast for candidates for independent directors (independent non-executive directors). For the election of non-independent directors, the number of votes available to each shareholder shall be the product of the number of shares held by such shareholder multiplied by the number of non-independent directors proposed to be elected, and such votes may only be cast for candidates for non-independent directors; |

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| | (III) Successful candidates shall be determined according to the descending order of votes received, save that each successful candidate must receive votes exceeding half of the total number of shares held by shareholders (including their proxies) attending the shareholders' general meeting. If fewer directors are elected than the number proposed, a further poll shall be held among all unsuccessful candidates to fill the vacancies; if the vacancies remain unfilled after such further poll, the vacancies shall be filled by election at the next shareholders' general meeting of the Company. Where two or more candidates receive the same number of votes but only some of them may be elected having regard to the available seats, a separate further poll shall be held for such tied candidates. |
| **[Newly added]** | **Article 87** Save for the cumulative voting system, the shareholders' general meeting shall vote on each proposal separately. Where different proposals are submitted in respect of the same matter, they shall be voted on in the order in which the proposals are submitted. Unless the shareholders' general meeting is suspended or unable to reach a resolution due to special circumstances such as force majeure, the shareholders' general meeting shall not defer or decline to vote on any proposal. |
| **[Newly added]** | **Article 88** When considering a proposal, the shareholders' general meeting shall not amend the proposal. Any variation thereto shall be treated as a new proposal and may not be voted on at the current shareholders' general meeting. |

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| **Article 73** When the shareholders' general meeting considers related transactions, ~~affiliated~~ shareholders shall not participate in voting, and the number of voting shares represented by them shall not be counted into the total number of valid votes; The announcement of the resolution of the general meeting of shareholders shall fully disclose the voting situation of non-affiliated shareholders. | **Article 92** When the shareholders' general meeting considers related party (connected) transactions, related (connected) shareholders shall not participate in voting, and the number of voting shares represented by them shall not be counted into the total number of valid votes; The announcement of the resolution of the general meeting of shareholders shall fully disclose the voting situation of non-related (connected) shareholders.<br><br>Shareholders having a related party (connected) relationship with the related (connected) matter or its authorised representatives may attend the shareholders' general meeting and may explain their views to the attending shareholders in accordance with the procedures of the meeting. However, such shareholders or representatives shall abstain from voting on a poll.<br><br>When the shareholders' general meeting considers related party (connected) transactions, the chairman of the meeting and the witnessing lawyers shall remind the related (connected) shareholders to abstain from voting before the shareholders cast their votes. The chairman of the meeting shall announce the list of related (connected) shareholders, state whether or not they will participate in the voting, and announce the total number of voting shares held by non-related (connected) parties attending the meeting and their proportion in the total number of shares of the Company before the voting. |
| **Article 74**<br><br>.....<br><br>(IV) matters other than those stipulated by laws, administrative regulations or these Articles of Association to be approved by special resolutions. | **Article 93**<br><br>.....<br><br>(IV) matters other than those stipulated by laws, administrative regulations, the securities regulatory authorities of the places where the Company's shares are listed or these Articles of Association to be approved by special resolutions. |
| **Article 75**<br><br>.....<br><br>(VII) other matters requiring adoption by special resolutions pursuant to the Listing Rules. | **Article 94**<br><br>.....<br><br>(VII) other matters requiring adoption by special resolutions pursuant to the Listing Rules of the stock exchanges of the places where the Company's shares are listed. |
| ~~**Article 76** If the shareholders' general meeting requires all the directors and senior management members of the Company to attend the meeting, they shall attend the meeting and answer or explain inquiries made by shareholders.~~ | Deleted |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 95** Before voting on a proposal at the shareholders' general meeting, two shareholders' representatives shall be elected to participate in counting and scrutinising the votes. For the related (connected) shareholders having interests in the item to be considered, such shareholders and their proxies shall not participate in vote counting or scrutiny.<br><br>When a proposal is voted on at a shareholders' general meeting, the solicitors and shareholders' representatives shall be jointly responsible for counting and scrutinising the votes, and the results of the vote shall be announced on site, and the results of the vote on the resolution shall be recorded in the minutes of the meeting.<br><br>Shareholders of the Company or their proxies who vote online or by other means shall have the right to verify their voting results through the corresponding voting system. |
| **[Newly added]** | **Article 96** The on-site shareholders' general meeting shall end no earlier than the meeting held online or otherwise. The chairman of the meeting shall announce the outcome and results of the vote on each proposal, and whether or not such proposal has been passed according to such voting results.<br><br>Prior to the formal announcement of the voting results, the relevant parties involved in the on-site, network or other voting methods, including the Company, vote counters, scrutineers, shareholders, and network service providers, shall be obligated to keep the voting situation confidential. |
| **Article 79**<br><br>.....<br><br>The company that issues overseas shares listed in China shall make statistics on the attendance and voting of domestic and overseas shareholders and make a public announcement respectively. | **Article 99**<br><br>.....<br><br>The company that issues overseas shares listed in China shall make statistics on the attendance and voting of domestic and overseas shareholders and make a public announcement respectively.<br><br>If any proposal is not adopted, or the current shareholders' general meeting amends the resolution of the last shareholders' general meeting, special reminder thereof shall be given in the announcement of the resolutions of the shareholders' general meeting. |
| **Article 81** .....However, the successive terms of independent non-executive directors may not be more than ~~9~~ years.<br><br>..... | **Article 101** .....However, the successive terms of independent directors (independent non-executive directors) may not be more than 6 years.<br><br>..... |

| Before Amendment | After Amendment |
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| **Article 82**<br><br>.....<br><br>If any director resigns so that the membership of the Board falls short of the quorum, the said director shall continue fulfilling the duties as director pursuant to relevant laws, administrative regulations, departmental rules and these Articles of Association until a new director is elected.<br><br>Any person appointed by the Board of Directors to fill a temporary vacancy or increase the number of board seats shall hold office only until the ~~issuer's~~ first annual general meeting after their appointment and shall be eligible for re-election at that time. | **Article 102**<br><br>.....<br><br>If any director resigns so that the membership of the Board falls short of the quorum, or any independent directors (independent non-executive directors) resigns so that the proportion of independent directors on the Board of Directors or its special committees not complying with the laws, regulations or these Articles of Association, or there is a lack of accounting professionals among independent directors (independent non-executive directors), the said director shall continue fulfilling the duties as director pursuant to relevant laws, administrative regulations, departmental rules and these Articles of Association until a new director is elected, except where there are circumstances that disqualify such director from holding office as stipulated in the relevant laws, administrative regulations, departmental rules, the CSRC and the stock exchanges of the places where the Company's shares are listed. The resignation report of such director shall only become effective after the vacancy arising from the resignation of such director is filled by a successor.<br><br>Any person appointed by the Board of Directors to fill a temporary vacancy or increase the number of board seats shall hold office only until the first annual general meeting of the Company after their appointment and shall be eligible for re-election at that time. |

| Before Amendment | After Amendment |
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| **Article 83** If resignation of a director takes effect or if his/her term of office expires, the said director shall go through all handover formalities with the Board. His/her honesty obligation to the Company and shareholders thereof shall not terminate automatically at the end of his/her term of office but shall still be valid within the reasonable period specified in these Articles of Association. The responsibilities that directors should bear during their tenure due to the performance of their duties shall not be exempted or terminated upon resignation. | **Article 103** The Company has a system in place to govern the departure of directors, which specifies safeguards for pursuing and recovering liability for unfulfilled public commitments and other outstanding matters. If resignation of a director takes effect or if his/her term of office expires, the said director shall go through all handover formalities with the Board. His/her honesty obligation to the Company and shareholders thereof shall not terminate automatically at the end of his/her term of office but shall still be valid within the reasonable period specified in these Articles of Association. The responsibilities that directors should bear during their tenure due to the performance of their duties shall not be exempted or terminated upon resignation.<br><br>The submission of a resignation letter or expiration of the director's term of office shall not release a director from his/her obligations to the Company and the shareholders within a reasonable period after his/her resignation report has become effective, or within a reasonable period after the expiration of his/her term, and his/her duty of confidentiality in relation to the business secrets of the Company shall remain binding after the expiration of his/her term until such business secrets have become public information, and they shall also strictly abide with the obligations of non-competition within the same industry as agreed with the Company. The effective period of other obligations shall be determined subject to the principle of fairness and the period of time elapsed between the expiration of the director's term and the occurrence of the event concerned, in addition to the circumstances and conditions under which the relationship between the director and the Company is terminated, but shall in any event be no less than 2 years. |
| **Article 86**<br><br>.....<br><br>If a director violates laws, administrative regulations, departmental rules, or the provisions of these Articles of Association while performing Company duties and causes losses to the Company, they shall be liable for compensation. | **Article 106**<br><br>.....<br><br>If a director violates laws, administrative regulations, departmental rules, the provisions of the stock exchanges of the places where the Company's shares are listed, or the provisions of these Articles of Association while performing Company duties and causes losses to the Company, they shall be liable for compensation. |
| **Article 88** .....The term of office for independent non-executive directors is 3 years, and they may be re-elected for a maximum of ~~9~~ years, ..... | **Article 108** .....The term of office for independent directors (independent non-executive directors) is 3 years, and they may be re-elected for a maximum of 6 years, ..... |

| Before Amendment | After Amendment |
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| **Article 89**<br>.....<br>(XVI) exercising other functions and powers conferred by the laws, administrative regulations, ~~the Listing Rules,~~ departmental rules and these Articles of Association or shareholders' general meetings.<br>.....<br>~~The Board shall be responsible for the above corporate governance functions and may also assign its responsibilities to one or more special committees under it.~~ | **Article 109**<br>.....<br>(XVI) exercising other functions and powers conferred by the laws, administrative regulations, the securities regulatory rules of the places where the Company's shares are listed, departmental rules and these Articles of Association or shareholders' general meetings.<br>.....<br>The statutory powers of the Board of Directors shall be exercised collectively by the Board of Directors. Such powers may not be delegated to others, nor may they be altered or deprived by means of these Articles of Association, resolutions of the shareholders' general meeting, or other similar instruments.<br>Where other powers of the Board of Directors as stipulated in these Articles of Association involve significant business matters or issues, collective decision-making shall be undertaken; such matters shall not be delegated to individual directors or a select group of directors for independent decision-making. |
| **[Newly added]** | **Article 110** The Board of Directors of the Company shall provide an explanation to the shareholders' general meeting regarding any non-standard audit opinion issued by the certified public accountant on the Company's financial reports. |
| **[Newly added]** | **Article 111** The Board of Directors shall establish rules of procedures for the Board of Directors to ensure that it implements the resolutions of the shareholders' general meeting, improves the working efficiency and ensures scientific decision-making. The rules of procedures for the Board of Directors, which shall serve as an annex to these Articles of Association, shall be drafted by the Board of Directors and approved at the shareholders' general meeting. |

| Before Amendment | After Amendment |
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| **Article 90** The Board of Directors shall determine the licensing rights of external investment, purchase and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, connected transactions, donations, etc., and establish strict examination and decision-making procedures; For major investment projects, relevant experts and professionals shall be organized to conduct evaluation and report to the general meeting of shareholders for approval. | **Article 112** The Board of Directors shall determine the authorities of external investment, purchase and sale of assets, asset mortgage, external guarantee matters, entrusted financial management, related party (connected) transactions, donations, etc., and establish strict examination and decision-making procedures; For major investment projects, relevant experts and professionals shall be organized to conduct evaluation and report to the general meeting of shareholders for approval.<br><br>In addition to the provisions of Article 47 and Article 49 of these Articles of Association, where a transaction of the Company satisfies any of the following conditions, it shall be submitted to the Board of Directors for consideration and shall be disclosed in a timely manner:<br><br>(I) the total assets involved in the transaction accounts for 10% or more of the Company's latest audited total assets; if the total assets involved in the transaction have both book value and appraised value, whichever the higher shall prevail;<br><br>(II) the relevant operating revenue of the subject matter (such as equity interest) of the transaction in the latest accounting year accounts for 10% or more of the Company's audited operating revenue in the latest accounting year, and the absolute amount exceeds RMB10 million;<br><br>(III) the relevant net profit of the subject matter (such as equity interest) of the transaction in the latest accounting year accounts for 10% or more of the Company's audited net profit in the latest accounting year, and the absolute amount exceeds RMB1 million;<br><br>(IV) the amount of the transaction (including assumed liabilities and expenses) accounts for 10% or more of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;<br><br>(V) the profit derived from the transaction accounts for 10% or more of the Company's audited net profit in the latest accounting year, and the absolute amount exceeds RMB1 million;<br><br>(VI) matters relating to related party (connected) transactions that shall be resolved by the Board of Directors of the Company as stipulated in these Articles of Association.<br><br>Where the figure used in the calculation of the above indicators is a negative value, its absolute value shall be taken. |

| Before Amendment | After Amendment |
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| | The term "transaction" referred to in this Article includes the following types of matters occurring outside the Company's daily operating activities: acquisition of assets; sale of assets; external investment (including entrusted wealth management, investment in subsidiaries but excluding the establishment of or capital increase to wholly-owned subsidiaries), leasing in or out assets; entrusted or commissioned management of assets and businesses; donating assets or accepting asset donations; restructuring of claims or debts; transfer of research and development projects; enter into license agreements, waiver of rights (including waiver of the right of first refusal and the pre-emptive subscription right); and other transactions recognised by the stock exchanges of the places where the Company's shares are listed.<br><br>The following activities do not fall within the scope of matters specified in the preceding paragraph:<br><br>(I) purchase of raw materials, fuels and power related to daily operation (excluding the purchase or sale of such assets involved in assets swap);<br><br>(II) sale of products, commodities and other assets related to daily operation (excluding the purchase or sale of such assets involved in assets swap);<br><br>(III) the transactions specified in the preceding paragraph but falling within the scope of the principal business activities of the Company. |
| **[Newly added]** | **Article 113** The Board of Directors has the authority to approve other external guarantees other than those requiring approval by the shareholders' general meeting as stipulated in Article 47 of these Articles of Association.<br><br>For matters relating to external guarantee within the scope of authority of the Board of Directors, in addition to the consideration and approval by more than half of all directors, they shall also obtain the consent of more than two-thirds of the directors present at the Board meetings and form a resolution. The Company shall not provide external guarantees without approval of the Board of Directors or the shareholders' general meeting. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 114** The Board of Directors has the authority to approve other financial assistance matters other than those requiring approval by the shareholders' general meeting as stipulated in Article 49 of these Articles of Association.<br><br>For matters relating to financial assistance within the scope of authority of the Board of Directors, in addition to the consideration and approval by more than half of all directors, they shall also obtain the consent of more than two-thirds of the directors present at the Board meeting and form a resolution. The Company shall not provide financial assistance without approval of the Board of Directors or the shareholders' general meeting. |
| **[Newly added]** | **Article 115** A related party (connected) transaction between the Company and a related (connected) natural person with a transaction amount exceeding RMB300,000; a related party (connected) transaction between the Company and a related (connected) legal person with a transaction amount exceeding RMB3 million and accounting for 0.5% or more of the absolute value of the Company's latest audited net assets, shall be resolved by the Board of Directors of the Company following approval by a majority of all independent directors (independent non-executive directors) and disclosed in a timely manner.<br><br>The abovementioned related party (connected) transactions refer to the following types of matters: transaction matters specified in Article 112; purchasing raw materials, fuels and power; selling products or goods; providing or receiving services; entrusted or commissioned sales; joint investments with related parties (connected persons); other matters that may result in the transfer of resources or obligations by agreement. |
| **Article 95** ..... the matters shall be submitted to the shareholders' general meeting for deliberation. | **Article 120** ..... the matters shall be submitted to the shareholders' general meeting for deliberation.<br><br>When the Company convenes a Board meeting to consider related party (connected) transactions, the presider of the meeting shall remind the related (connected) directors to abstain from voting prior to the voting at the meeting. If a related (connected) director does not voluntarily declare and abstain, the directors who are aware of the situation shall request the related (connected) director to abstain. |
| **[Newly added]** | **Article 121** Save as otherwise provided in these Articles of Association, the Board of Directors may hold meetings via on-site, electronic communication, or a combination of on-site and electronic communication methods. The voting method for Board resolutions is: registered ballot. Each director has the voting right of one vote. |

| Before Amendment | After Amendment |
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| **Article 98** The Board may adopt written proposal in lieu of Board meeting..... | **Article 124** Under the premise of fully safeguarding the directors' right to express their opinions, the Board may adopt written proposal in lieu of Board meeting..... |
| **Article 99** The Board shall file resolutions of the meeting as minutes, which shall be signed by the attending directors. ..... | **Article 125** The Board shall file resolutions of the meeting as minutes, which shall be signed by the attending directors, the secretary to the Board and the recording personnel. ..... |
| **[Newly added]** | **Article 126** Independent directors (independent non-executive directors) shall conscientiously perform their duties by playing a role of participation in decision-making, supervision and balance, and professional consultation in the Board of Directors, safeguard the overall interests of the Company and protect the legal rights and interests of minority shareholders in accordance with laws, administrative regulations, regulations of the CSRC, the stock exchanges of the places where the Company's shares are listed and these Articles of Association. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 127** Independent directors (independent non-executive directors) must remain independent and the following person shall not serve as independent directors (independent non-executive directors):<br><br>(I) persons working for the Company or its subsidiaries, their spouse, parents, children and major social relations;<br><br>(II) natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or any of the ten largest shareholders of the Company and their spouses, parents and children;<br><br>(III) persons who hold a position in the shareholders directly or indirectly holding more than 5% of the issued shares of the Company or any of the five largest shareholders of the Company and their spouses, parents and children;<br><br>(IV) persons serving in the subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;<br><br>(V) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in the units with which they have significant business dealings and the units of their controlling shareholders or de facto controllers;<br><br>(VI) persons providing financial, legal, consulting and sponsorship services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including, but not limited to, all members of the project team of the intermediary institution providing the services, reviewers at all levels, persons signing on the report, partners, directors, senior management and key persons in charge;<br><br>(VII) persons who fall into the categories set out in items (I) to (VI) within the last twelve months;<br><br>(VIII) other persons who are not independent as stipulated by laws, administrative regulations, regulations of the CSRC, the business rules of the stock exchanges and these Articles of Association.<br><br>Independent directors (independent non-executive directors) shall conduct self-checks on their independence annually and submit the self-check results to the Board of Directors. The Board of Directors shall annually evaluate the independence of the incumbent independent directors (independent non-executive directors) and issue a special opinion, which shall be disclosed simultaneously with the annual report. |

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| **[Newly added]** | **Article 128** A person serving as an independent director (independent non-executive director) of the Company shall meet the following requirements:<br>(I) possessing the qualifications for a listed company's directorships in accordance with laws, administrative regulations and other relevant provisions;<br>(II) complying with the independence requirements stipulated in these Articles of Association;<br>(III) possessing basic knowledge on the operations of a listed company, and being familiar with relevant laws, regulations and rules;<br>(IV) possessing at least five years of working experience in legal, accounting or economics fields required for his/her performance of duties as an independent director (independent non-executive director);<br>(V) possessing good personal integrity and no major breach of trust or other adverse records;<br>(VI) complying with the independence requirements stipulated in the listing rules of the stock exchanges of the places where the Company's shares are listed;<br>(VII) other conditions stipulated by laws, administrative regulations, regulations of the CSRC, the business rules of the stock exchanges of the places where the Company's shares are listed and these Articles of Association. |
| **[Newly added]** | **Article 129** Independent directors (independent non-executive director), as members of the Board of Directors, are obligated to be faithful and diligent to the Company and all shareholders and shall perform the following duties prudently:<br>(I) to participate in the decision-making of the Board of Directors and express clear opinions on matters under discussion;<br>(II) to supervise potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors and senior management, and protect the legitimate rights and interests of minority shareholders;<br>(III) to provide professional and objective advice on the Company's operations and development, thereby enhancing the decision-making of the Board of Directors;<br>(IV) other duties as stipulated by laws, administrative regulations, regulations of the CSRC and these Articles of Association. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 130** Independent directors (independent non-executive directors) exercise the following special functions and powers:<br>(I) to independently engage intermediary organisations to conduct audits, provide consultancy or carry out verifications on specific matters concerning the Company;<br>(II) to propose to the Board of Directors the convening of an extraordinary shareholders' general meeting;<br>(III) to propose the convening of Board meetings;<br>(IV) to publicly solicit shareholder rights in accordance with the laws;<br>(V) to express independent opinions on matters that may prejudice the interests of the Company or its minority shareholders;<br>(VI) other functions and powers as stipulated by laws, administrative regulations, regulations of the CSRC and these Articles of Association.<br>Where an independent director (independent non-executive director) exercises the functions and powers listed in item (I) to (III) of the preceding paragraph, such exercise shall be subject to the approval of a majority of all independent directors (independent non-executive directors).<br>Where an independent director (independent non-executive director) exercises the functions and powers set out in the first paragraph, the Company shall make timely disclosures. Where the aforementioned functions and powers cannot be duly exercised, the Company shall disclose the specific circumstances and reasons therefor. |
| **[Newly added]** | **Article 131** The following matters shall be submitted to the Board of Directors for consideration upon obtaining the consent of a majority of all independent directors (independent non-executive directors) of the Company:<br>(I) disclosable related party (connected) transactions;<br>(II) proposals by the Company and related parties to amend or waive undertakings;<br>(III) decisions made and measures taken by the Board of Directors of the target listed company in relation to an acquisition;<br>(IV) other matters as stipulated by laws, administrative regulations, regulations of the CSRC and these Articles of Association. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 132** The Company shall establish a mechanism for special meetings to be attended by independent directors (independent non-executive directors) only. For matters such as related party (connected) transactions to be considered by the Board of Directors, they shall be approved by a special meeting of independent directors (independent non-executive directors) in advance.<br><br>The Company shall convene special meetings of independent directors (independent non-executive directors) on a regular or ad hoc basis. Matters listed in item (I) to (III) of paragraph 1 of Article 130 and Article 131 of these Articles of Association shall be considered at the special meetings of independent directors (independent non-executive directors).<br><br>Other matters of the Company may be studied and discussed at the special meetings of independent directors (independent non-executive directors) as needed.<br><br>The special meetings of independent directors (independent non-executive directors) shall be convened and presided over by an independent director (independent non-executive director) jointly elected by more than half of the independent directors (independent non-executive directors); where the convenor fails to fulfil his/her duties or is unable to fulfil his/her duties, two or more independent directors (independent non-executive directors) may convene the meeting on their own and elect a representative to preside over the meeting.<br><br>Minutes of the special meetings of independent directors (independent non-executive directors) shall be prepared in accordance with regulations and the opinions of independent directors (independent non-executive directors) shall be set out in the minutes of the meetings. Independent directors (independent non-executive directors) shall sign and confirm the minutes.<br><br>The Company provides convenience and support for the convening of special meetings of independent directors (independent non-executive directors). |
| **Article 101** The members of the Audit Committee should all be non-executive directors..... | **Article 134** The members of the Audit Committee should all be non-executive directors who are not senior management of the Company..... |

| Before Amendment | After Amendment |
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| **Article 102** | **Article 135** |
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| (VII) review and supervise whether the external auditors are independent and objective, and whether the audit procedures are effective; Discuss the nature and scope of the audit and related reporting responsibilities with the auditor before starting the audit work; Develop policies for external auditors to provide non audit services and implement them; | (VII) review and supervise whether the external auditors are independent and objective, and whether the audit procedures are effective; Discuss the nature and scope of the audit and related reporting responsibilities with the auditor before starting the audit work; Develop policies for external auditors to provide non audit services and implement them; |
| ..... | ..... |
| (XII) maintain good communication with internal and external audit agencies of the Company, hold at least two meetings with the ~~issuer's~~ auditors annually, and ensure that the internal audit function has sufficient resources to operate within the Company, has an appropriate position, and supervises and monitors its effectiveness; | (XII) maintain good communication with internal and external audit agencies of the Company, hold at least two meetings with the Company's auditors annually, and ensure that the internal audit function has sufficient resources to operate within the Company, has an appropriate position, and supervises and monitors its effectiveness; |
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| Before Amendment | After Amendment |
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| **Article 106** The secretary to the Board of the Company shall be a natural person with requisite expertise and experience, and shall be nominated by the general manager and appointed or removed by the Board. His/her major duties are:<br>~~(I) to ensure that the Company has complete organization documents and records, keep and manage shareholders' information and help directors with daily works of the Board;~~<br>~~(II) to organize and arrange for Board meetings and shareholders' general meetings, prepare meeting materials, handle relevant meeting affairs, keep minutes of the meetings and ensure their accuracy, keep meeting documents and minutes, take initiative to keep abreast of the implementation of relevant resolutions, and report important issues occurring during the implementation to the Board and give relevant advice to the Board;~~<br>~~(III) as the liaison of the Company with the securities regulatory authorities, to be responsible for organising, preparing and timely submitting the reports and documents required by the regulatory authorities as well as accepting and organising the implementation of relevant assignment from the regulatory authorities;~~<br>~~(IV) to be responsible for coordinating and organising the Company's information disclosure, establishing and improving the information disclosure system, attending all of the Company's meetings involving information disclosure, and keeping informed of the Company's material operation decisions and related information in a timely manner;~~<br>~~(V) to ensure that the register of shareholders of the Company is established appropriately and that the persons who have the right of access to the relevant records and documents of the Company obtain the same in due time;~~<br>~~(VI) to exercise other functions and powers as conferred by the Board, as well as other functions and powers as required by laws and regulations and the stock exchange of the place where the Company's shares are listed.~~ | **Article 139** The secretary to the Board of the Company shall be a natural person with requisite expertise and experience, and shall be nominated by the general manager and appointed or removed by the Board and accountable to the Company and the Board of Directors. His/her major duties are:<br>(I) to be responsible for the Company's information disclosure affairs, coordinating the Company's information disclosure works, organising the formulation of the Company's information disclosure management system and maintaining the effective implementation thereof, and supervising the listed company and relevant information disclosure obligors to comply with regulations in relation to information disclosure.<br>(II) to be responsible for organising and coordinating the preparation of drafts of periodic reports, supervising senior management such as the general manager and the financial manager and relevant departments of the Company to provide the relevant content of the periodic reports in a timely manner and summarising such content into drafts of periodic reports in accordance with regulations; recommending the Audit Committee to review the financial information in the periodic reports; recommending the chairman to convene Board meetings for consideration of the periodic reports and make disclosure; monitoring any significant anomalies in the periodic reports within his/her scope of duties and verifying the same in a timely manner, and reporting to the Board of Directors and making recommendations on rectifications where issues are identified.<br>(III) to be responsible for gathering the Company's disclosable information on material events in a timely manner, reporting to the Board of Directors, preparing interim reports in accordance with regulations and organising the disclosure of such interim reports.<br>(IV) to be responsible for matters in relation to the suspension and exemption of the Company's information disclosure, and the registration, storage and submission of the information suspended or exempted from disclosure. |

| Before Amendment | After Amendment |
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| | (V) to be responsible for maintaining the confidentiality of the Company's information disclosure, organising the formulation of the Company's insider information management system and maintaining the effective implementation thereof, registering, storing and submitting the files of the insiders in accordance with regulations, and reporting to the stock exchanges of the places where the Company's shares are listed and making an announcement in a timely manner in the event of a leakage of undisclosed material information.<br><br>(VI) to gather in a timely manner matters within the scope of powers of the Board of Directors and the shareholders' general meeting, report to the Board of Directors and propose the convening of meetings; to organise and prepare for Board meetings and shareholders' general meeting and be responsible for taking minutes at the meetings and signing the same to confirm that such minutes truthfully reflect the proceedings of the meetings and that the procedures for convening and holding the meetings and voting thereat comply with the laws and regulations, the listing rules and other requirements of the stock exchanges of the places where the Company's shares are listed and the provisions of the Articles of Association.<br><br>(VII) to report to the Board of Directors and make recommendation for rectification where the articles of association, organisational structure and allocation of powers in the listed company fail to comply with the laws and regulations, the listing rules and other requirements of the stock exchanges of the places where the Company's shares are listed; to report to the Audit Committee in a timely manner where issues concerning financial information or internal control or any potential violations of laws and regulations were identified.<br><br>(VIII) to be responsible for organising and coordinating the management of the Company's investor relations, enhancing the investors' understanding and recognition of the listed company; coordinating the communication of information between the Company and its shareholders, de facto controllers, investors, directors, intermediary agencies, the media and the securities regulatory authorities to ensure that the channels of communication remain open. |

| Before Amendment | After Amendment |
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| | (IX) to monitor the media coverage of and market rumours related to the Company, verify the relevant conditions in a timely manner, report to the Board of Directors and recommend measures, such as making clarifications, for handling the situation and urge the relevant bodies, such as the Board of Directors, to respond to the inquiries of the stock exchanges of the places where the Company's shares are listed in a timely manner.<br><br>(X) to assist independent directors (independent non-executive directors) in performing their duties, ensure smooth information flow between independent directors (independent non-executive directors) and other directors, senior management and other relevant personnel, and ensure that independent directors (independent non-executive directors) have access to sufficient resources and necessary professional opinions.<br><br>(XI) to organise trainings for directors, senior management and other relevant personnel as required by relevant laws and regulations, the listing rules and other requirements of the stock exchanges of the places where the Company's shares are listed and to assist the aforesaid personnel in understanding their respective duties in respect of information disclosure.<br><br>(XII) to urge directors, senior management and other relevant personnel to comply with laws and regulations, the listing rules and other requirements of the stock exchanges of the places where the Company's shares are listed and the Articles of Association and faithfully fulfil their undertakings; upon becoming aware that the Company, a director or a senior management member have made or may make resolutions that violate the relevant regulations, he/she shall remind them and truthfully report the same to the stock exchanges of the places where the Company's shares are listed forthwith.<br><br>(XIII) to be responsible for the management of changes in the Company's shares and their derivatives, the management of the register of shareholders of the Company, verifying on a quarterly basis the holdings of the Company's shares and their derivatives by shareholders holding 5% or more of the Company's shares, the de facto controllers, directors and senior management.<br><br>(XIV) other duties required to be performed by laws, regulations and the stock exchanges of the places where the Company's shares are listed. |

| Before Amendment | After Amendment |
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| **Article 107** ~~A director or senior management member of the Company may serve concurrently as secretary to the Board of the Company. The accountants of the accounting firm appointed by the Company and managers of controlling shareholders shall not serve concurrently as secretary to the Board of the Company.~~<br><br>..... | **Article 140** The secretary to the Board shall not serve concurrently as the general manager, deputy general manager in charge of business operations, or the financial manager of the Company. If the secretary to the Board concurrently holds other positions in the Company, there shall be a clear separation of responsibilities between the secretary to the Board and the other positions to ensure that there is sufficient time for and dedication from the secretary to the Board for independent performance of the responsibilities.<br><br>..... |
| **Article 108** The Company shall have one general manager who shall be appointed or dismissed by the Board~~, and shall have several deputy general managers who shall be nominated by the general manager and appointed or dismissed by the Board~~. ..... | **Article 141** The Company shall have one general manager who shall be appointed or dismissed by the Board. ..... |
| **Article 109** The general manager shall serve a term of three years, and may be reelected for successive terms. | **Article 142** The general manager shall serve a term of three years per session, and may be reelected for successive terms. |
| **[Newly added]** | **Article 146** The general manager may tender his/her resignation prior to the expiry of his/her term. The specific procedures and methods concerning the resignation of the general manager shall be stipulated by the employment contract entered into between the general manager and the Company. |
| **Article 113** The Company shall have one financial manager, who shall be appointed or dismissed by the Board. The financial manager shall be accountable to the Board and the general manager. | **Article 147** The Company shall have a certain number of deputy general managers, one financial manager, who shall be nominated by the general manager and be appointed or dismissed by the Board. The deputy general managers and the financial manager shall be accountable to and report to the Board and the general manager, and shall perform their relevant duties within the business scope as assigned. |
| **[Newly added]** | **Article 153** If directors or senior management of the Company perform their duties in the Company and cause harm to others, the Company shall bear the liability for compensation; If a director or senior management has intentional or gross negligence, they shall also be liable for compensation.<br><br>If a director or senior management violates laws, administrative regulations, departmental rules, or the provisions of these Articles of Association while performing Company duties and causes losses to the Company, they shall be liable for compensation.<br><br>The directors and senior management of the Company shall honestly fulfil their duties, and protect the maximum interests of the Company and all shareholders as a whole. If the directors and senior management of the Company fail to honestly fulfil their duties or violate his/her duty of good faith, thereby causing harm to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with laws. |

| Before Amendment | After Amendment |
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| **Article 120**<br>.....<br>At the end of each fiscal year, the Company shall prepare a financial report which shall be audited by an accounting firm in accordance with the law.<br>~~The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with the accounting standards of the place overseas where the Company's shares are listed. If there are any material differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements.~~<br>~~In distributing its after-tax profits of the relevant fiscal year, the lower of the after-tax profits as shown in the aforesaid two financial statements shall be adopted.~~ | **Article 155**<br>.....<br>At the end of each fiscal year, the Company shall prepare a financial report which shall be audited by an accounting firm in accordance with the law.<br>The Company shall submit and disclose its annual report to the regional offices of the CSRC and the stock exchange within four months from the end of each fiscal year, and submit and disclose its interim report to the regional offices of the CSRC and the stock exchanges within two months from the end of the first half of each fiscal year.<br>The abovementioned annual reports and interim reports shall be prepared in accordance with the relevant laws, administrative regulations, requirements of the CSRC and the stock exchanges of the places where the Company's shares are listed. |
| ~~**Article 124** The Company shall announce two financial reports each fiscal year, i.e. interim financial report announced within two months after the end of the first six months of the fiscal year and the annual financial report announced within three months after the end of the fiscal year.~~ | Deleted |
| ~~**Article 126** The Company shall specify in these Articles of Association the priority order of cash dividend relative to stock dividend in profit distribution, and specify the following:~~<br>~~(I) The decision-making procedure and mechanism of the Board and the shareholders' general meeting of the Company regarding profit distribution, especially cash dividend; the specific conditions, decision-making procedure and mechanism for adjusting the established profit distribution policy, especially cash dividend policy; and the measures taken to fully listen to the opinions of independent non-executive directors and minority shareholders.~~<br>~~(II) The specific content of the Company's profit distribution policy, especially the cash dividend policy, the form of profit distribution, the period interval of profit distribution, especially the cash dividend, the specific conditions for cash dividend, the conditions for issuing stock dividends, the minimum amount or proportion of cash dividend (if any) in each period, etc.~~ | Deleted |
| **[Newly added]** | **Article 164** After the resolution on the profit distribution plan is made at the shareholders' general meeting of the Company, or after the Board of Directors of the Company has formulated a specific plan based on the conditions and maximum limit for the next year's interim dividend considered and approved by the annual shareholders' general meeting, the distribution of dividends (or shares) shall be completed within two months. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 165** The profit distribution policy of the Company is:<br><br>In distributing its profits, the Company shall focus on the reasonable investment returns to investors, especially the small and medium-sized investors, while taking into account the sustainable development of the Company. It shall establish a sustained, stable and proactive dividend policy and adopt a profit distribution of cash, shares, a combination of cash and shares or other methods permitted by the laws and regulations.<br><br>(I) Principles of the Profit Distribution of the Company<br><br>The Company implements a sustained and stable profit distribution policy focusing on the reasonable investment returns to investors as well as the long-term sustainable development of the Company. The profit distribution of the Company shall not exceed its cumulative distributable profit.<br><br>The Company may refrain from profit distribution under any of the following circumstances:<br><br>1. the audit report for the most recent year is a non-unqualified opinion or an unqualified opinion with a paragraph regarding significant uncertainty related to the going concern;<br><br>2. the asset-liability ratio at the end of the year is higher than 70%;<br><br>3. the operating cash flow for the year is negative.<br><br>(II) Profit Distribution Methods of the Company<br><br>The Company may adopt a profit distribution of cash, shares and a combination of cash and shares or other methods permitted by the laws and regulations. Provided that the Company is profitable and its cash is adequate for the Company's continuous operation and long-term development, the Company shall prioritise the distribution method of cash dividends. |

| Before Amendment | After Amendment |
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| | (III) Specific Conditions and Proportion of Cash Dividends<br><br>1. The cash dividend policy of the Company aims for a steady increase of dividend. The Company shall satisfy all the following conditions to implement cash dividends:<br><br>(1) the distributable profits in the consolidated financial statements and the financial statements of the parent company at the end of the period are positive;<br><br>(2) the implementation of cash dividends will not affect the Company's subsequent operations on a going concern basis;<br><br>(3) the audit firm issued an unqualified audit report on the financial report of the Company for the current year (no audit is required for interim or quarterly cash dividends);<br><br>(4) the Company has no major investment plans or significant cash expenditures (except projects funded by raised proceeds).<br><br>Major investment plans or significant cash expenditures refer to: the Company's proposed external investments, acquisition of assets or purchase of equipment, buildings, land use rights within the next twelve months with accumulated expenditures reaching or exceeding 30% of the latest audited total assets of the Company. |

| Before Amendment | After Amendment |
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| | 2. Requirements for the proportion of cash dividends<br><br>(1) the Company shall maintain the continuity and stability of the profit distribution policy. Subject to the satisfaction of the conditions for cash dividend, the profit distributed in cash by the Company for each year after the Company's listing shall be no less than 10% of the distributable profit realised in the year. Within any three consecutive years after the Company's listing, the cumulative profit distributed in cash by the Company shall be no less than 30% of the average annual distributable profit realised in those three years;<br><br>(2) distributable profit not distributed in the year may be retained for distribution in the subsequent years;<br><br>(3) the profit distribution of the Company shall not exceed the scope of cumulative distributable profit, and shall not impair the Company's ability to operate as a going concern.<br><br>(IV) Period Interval for Profit Distribution<br><br>Subject to satisfaction of the above conditions for cash dividends, the Company will actively adopt the cash method to distribute dividend. In principle, cash dividends are distributed once a year. The Board of Directors of the Company may propose interim and quarterly cash dividends to the Company based on its profitability and capital requirements.<br><br>(V) Conditions for Issuing Stock Dividends<br><br>The Company may, based on its profitability and cash flow position in the year, focus on the share capital expansion synchronised with performance growth and consider adopting profit distribution by way of stock dividends, under the premise of ensuring the minimum cash dividend proportion and a reasonable share capital scale and shareholding structure in the Company. |

| Before Amendment | After Amendment |
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| | (VI) Differentiated Cash Dividend Policy<br><br>The Board of Directors shall comprehensively consider factors such as the characteristics of the industry in which the Company operates, its development stage, its own business model, profitability, debt repayment ability and whether there are material capital expenditure arrangements and investor returns, distinguish the following conditions and propose a differentiated cash dividend policy in accordance with the procedures stipulated in the Articles of Association:<br><br>1. Where the Company is at its mature stage of development with no material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 80%;<br><br>2. Where the Company is at its mature stage of development with material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 40%;<br><br>3. Where the Company's development is at the growth stage with material capital expenditure arrangements, when distributing profits, the minimum proportion of cash dividends in this profit distribution shall reach 20%.<br><br>Where the Company's development stage is difficult to distinguish but there are material capital expenditure arrangements, cash dividends shall be processed in accordance with item 3 in the preceding paragraph. |

| Before Amendment | After Amendment |
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| | (VII) Decision-making Procedures of Profit Distribution Policy<br><br>The annual profit distribution proposal of the Company shall be proposed and drafted by the Company's management and the Board of Directors in consideration of the requirements of the Articles of Association, profitability, capital requirements and shareholder return plans. Upon consideration and approval by the Board of Directors, it is submitted to the shareholders' general meeting for consideration and approval. When the Company convenes an annual shareholders' general meeting to consider the annual profit distribution proposal, it may consider and approve the conditions, maximum proportion, and maximum amount for the next year's interim cash dividend. The upper limit for the next year's interim dividend considered by the annual shareholders' general meeting shall not exceed the net profit attributable to the shareholders of the listed company for the corresponding period. The Board of Directors shall formulate a specific interim dividend plan in accordance with the resolution of the shareholders' general meeting and subject to the conditions of profit distribution.<br><br>Where independent directors (independent non-executive directors) are of the view that the specific cash dividend plan may harm the interests of the listed company or minority shareholders, they shall have the right to express independent opinions. Where the Board of Directors fails to adopt or fully adopt the opinions of the independent directors (independent non-executive directors), such opinions of the independent directors (independent non-executive directors), as well as the specific reasons for their non-adoption, shall be recorded in the Board resolution and disclosed. |

| Before Amendment | After Amendment |
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| | When the Board of Directors considers and formulates the profit distribution proposal, it shall carefully study and evaluate matters such as the timing, the conditions and the minimum proportion of the Company's cash dividend, the conditions for adjustment, and other decision-making procedure requirements, the independent directors (independent non-executive directors) shall express clear opinions. The Board of Directors shall record the contents in details, such as suggestions of the management, the main points of speeches by attending directors, the opinions of the independent directors (independent non-executive directors) and the voting situation of the Board of Directors, and shall prepare written records to be properly kept as the Company archives.<br><br>The Audit Committee shall supervise the implementation by the Board of Directors and the management of the Company's profit distribution policy and shareholders' return planning, as well as the decision-making procedures.<br><br>The shareholders' general meeting shall vote on the profit distribution proposal proposed by the Board of Directors in accordance with the laws and regulations. Prior to the consideration of the specific cash dividend plan by the shareholders' general meeting, the Company shall proactively communicate and exchange views with the shareholders, especially the minority shareholders, through various channels, fully listen to opinions and demands of the minority shareholders, and promptly address the issues that the minority shareholders concern. |

| Before Amendment | After Amendment |
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| | (VIII) Specific Conditions, Decision-making Procedures and Mechanisms for Adjusting the Profit Distribution Policy<br><br>Where it is deemed necessary to adjust or change the profit distribution policy determined by the Articles of Association based on the production and operating conditions, investment planning, long-term growth demands, and external business environment, the Board of Directors shall be responsible for formulating an adjustment or change proposal and submitting it to the Company's shareholders' general meeting for consideration. When the shareholders' general meeting considers the matters regarding the changes of the profit distribution policy, it must be passed by not less than two-thirds of voting rights held by the shareholders (including their proxies) attending the meeting, and convenience shall be provided for minority shareholders to participate in the shareholders' general meetings.<br><br>(IX) The Company shall disclose the implementation of the profit distribution proposal and cash dividend policy in the annual reports and interim reports in strict accordance with relevant regulations.<br><br>(X) Where the Company is profitable for the year but the management and the Board of Directors have not proposed or formulated a cash dividend proposal, the management shall submit a detailed explanation to the Board of Directors in respect of such situation, including the reasons of not distributing dividends and the purposes and planned use of the funds retained by the Company instead of being used for dividends; the Audit Committee shall issue special explanations and opinions on the implementation of relevant policies and plans; it shall be submitted to the shareholders' general meeting for consideration upon consideration and approval by the Board of Directors. The Board of Directors shall provide an explanation to the shareholders' general meeting and disclose in the annual report.<br><br>(XI) Where a shareholder improperly occupies the Company's funds, the Company shall deduct the cash dividend allocated to such shareholder to repay the occupied funds. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 166** The Company shall implement an internal audit system, specifying the leadership structure, duties and authorities, personnel allocation, funding support, application of audit results, and accountability for internal audit work.<br><br>The internal audit system of the Company shall be implemented upon approval by the Board of Directors and disclosed to the public. |
| **[Newly added]** | **Article 167** The internal audit institution of the Company supervises and inspects matters such as the Company's business activities, risk management, internal control and financial information.<br><br>The internal audit institution of the Company shall maintain independence, be staffed with dedicated audit personnel, and shall neither be placed under the leadership of the finance department nor share an office with the finance department. |
| **[Newly added]** | **Article 168** The internal audit institution is accountable to the Board of Directors.<br><br>In the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall be subject to the oversight and guidance of the Audit Committee. If the internal audit institution discovers relevant significant issues or clues, it shall make an immediate and direct report to the Audit Committee. |
| **[Newly added]** | **Article 169** The internal audit institution is responsible for the specific organisation and implementation of the Company's internal control evaluation. Based on the evaluation report issued by the internal audit institution and considered by the Audit Committee and relevant information, the Company shall issue an annual internal control evaluation report. |
| **[Newly added]** | **Article 170** When the Audit Committee communicates with external audit units such as accounting firms and state audit institutions, the internal audit institution shall actively cooperate and provide necessary support and assistance. |
| **[Newly added]** | **Article 171** The Audit Committee shall participate in the assessment of the person in charge of internal audit. |

| Before Amendment | After Amendment |
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| **Article 135** | **Article 176** |
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| (IV) ~~by way of publishing information on websites designated by the Company and the Hong Kong Stock Exchange, subject to~~ the laws, administrative regulations and ~~the listing rules of stock exchanges where the Company's shares are listed~~; | (IV) other methods recognised by the laws, administrative regulations and the securities regulatory authorities of the places where the Company's shares are listed or as stipulated in these Articles of Association; |
| ..... | ..... |
| Unless the context otherwise specifies, the "announcement" referred to in these Articles of Association shall mean, in respect of announcements made to the holders of ~~domestic shares~~ or the announcements to be published in the PRC as required by the relevant requirements and these Articles of Association, the publication of an announcement in newspapers or periodicals in the PRC, and such newspapers or periodicals shall have been prescribed under the laws and administrative regulations of the PRC or by the securities regulatory authorities under the State Council. For notices issued by the Company to the holders of ~~overseas listed shares~~ by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange electronic publishing system for immediate release on the website of the Hong Kong Stock Exchange in accordance with the ~~local~~ listing rules, or publish an announcement in newspapers (including the publication of an advertisement in newspapers) in accordance with the ~~local~~ listing rules. All notices or other documents required under Chapter 13 of the Main Board Listing Rules to be sent by the Company to the Hong Kong Stock Exchange shall be in the English language, or accompanied by a certified English translation. | Unless the context otherwise specifies, the "announcement" referred to in these Articles of Association shall mean, in respect of announcements made to the holders of A Shares or the announcements to be published in the PRC as required by the relevant requirements and these Articles of Association, the publication of an announcement in newspapers or periodicals in the PRC and on the website of the Shenzhen Stock Exchange, and such newspapers or periodicals shall have been prescribed under the laws and administrative regulations of the PRC or by the securities regulatory authorities under the State Council. For notices issued by the Company to the holders of H Shares by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange electronic publishing system for immediate release on the website of the Hong Kong Stock Exchange in accordance with the HKEX Listing Rules, or publish an announcement in newspapers (including the publication of an advertisement in newspapers) in accordance with the HKEX Listing Rules. All notices or other documents required under Chapter 13 of the Main Board Listing Rules of the Hong Kong Stock Exchange to be sent by the Company to the Hong Kong Stock Exchange shall be in the English language, or accompanied by a certified English translation. |
| ..... | ..... |
| Notwithstanding the aforesaid provision which specifies providing and/or dispatching written corporate communication to shareholders, for the purpose of the means by which the Company provides and/or dispatches its corporate communication to shareholders according to the ~~Listing Rules~~, if the Company has obtained shareholders' prior written consent or deemed consent according to the relevant laws and regulations and the ~~Listing Rules~~ as amended from time to time, the Company may dispatch or provide corporate communication to its shareholders by electronic means or via publication on its website. Corporate communication includes but is not limited to circulars, annual reports, interim reports, quarterly reports, notices of shareholders' general meetings, and other types of corporate communication as specified in the ~~Listing Rules~~. | Notwithstanding the aforesaid provision which specifies providing and/or dispatching written corporate communication to shareholders, for the purpose of the means by which the Company provides and/or dispatches its corporate communication to shareholders according to the listing rules of the stock exchanges of the places where the Company's shares are listed, if the Company has obtained shareholders' prior written consent or deemed consent according to the relevant laws and regulations and the listing rules of the stock exchanges of the places where the Company's shares are listed as amended from time to time, the Company may dispatch or provide corporate communication to its shareholders by electronic means or via publication on its website. Corporate communication includes but is not limited to circulars, annual reports, interim reports, quarterly reports, notices of shareholders' general meetings, and other types of corporate communication as specified in the listing rules of the stock exchanges of the places where the Company's shares are listed. |
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| Before Amendment | After Amendment |
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| **Article 136** Save as otherwise specified in these Articles of Association, the means of service of notice specified in the preceding article shall apply to notice of the ~~shareholders' general meetings,~~ Board meetings and meetings of the Audit Committee held by the Company. | **Article 177** Save as otherwise specified in these Articles of Association, the means of service of notice specified in the preceding article shall apply to notice of the Board meetings and meetings of the Audit Committee held by the Company. Any notice for convening a shareholders' general meeting of the Company shall be given by way of an announcement. |
| **Article 140** The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity. If the price paid for the Company merger does not exceed 10% of the Company's net assets, it may not be subject to a resolution of the shareholders' general meeting.<br>..... | **Article 181** The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity. If the price paid for the Company merger does not exceed 10% of the Company's net assets, it may not be subject to a resolution of the shareholders' general meeting, and shall be resolved by the Board of Directors.<br>..... |
| **Article 147**<br>.....<br>In the circumstance set out in (I) or (V) above, and the Company has not yet distributed property to shareholders, it may continue to subsist by amending these Articles of Association or by special resolution of the shareholders' general meeting. | **Article 188**<br>.....<br>In the circumstance set out in (I) or (V) above, and the Company has not yet distributed property to shareholders, it may continue to subsist by amending these Articles of Association or by special resolution of the shareholders' general meeting.<br>In the event that the Company has dissolution causes as prescribed in paragraph 1 of this Article, it shall publicise the causes of dissolution through the National Enterprise Credit Information Publicity System within ten days. |
| **Article 154**<br>.....<br>(I) as a result of the amendment of the Company Law or other relevant laws and administrative regulations, the matters stipulated in these Articles of Association are in conflict with the provisions of the amended laws and administrative regulations;<br>..... | **Article 195**<br>.....<br>(I) as a result of the amendment of the Company Law or other relevant laws, administrative regulations, regulations of the CSRC, the securities regulatory rules of the places where the Company's shares are listed, the matters stipulated in these Articles of Association are in conflict with the amended regulations;<br>..... |
| **Article 157**<br>.....<br>The "connected person transaction" referred to in these Articles of Association refers to ~~the connected person transaction as defined in the Listing Rules~~.<br>..... | **Article 198**<br>.....<br>The "related party (connected) transaction(s)" referred to in these Articles of Association refers to the definition set forth in the securities regulatory rules of the places where the Company's shares are listed.<br>..... |

| Before Amendment | After Amendment |
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| **Article 159** The power of interpretation of these Articles of Association shall be vested in the Company's Board of Directors. Any matters not contained in these Articles of Association shall be proposed by the Board of Directors at the shareholders' general meeting for approval. In case of any matters not covered in these Articles of Association or conflicts with the provisions of laws, administrative regulations, departmental rules, other relevant normative documents, and the listing rules of ~~the Company's stock market~~ from time to time, the provisions of laws, administrative regulations, departmental rules, other relevant normative documents, and the listing rules of ~~the Company's stock market~~ shall prevail. | **Article 200** The power of interpretation of these Articles of Association shall be vested in the Company's Board of Directors. Any matters not contained in these Articles of Association shall be proposed by the Board of Directors at the shareholders' general meeting for approval. In case of any matters not covered in these Articles of Association or conflicts with the provisions of laws, administrative regulations, departmental rules, other relevant normative documents, and the listing rules of the stock exchanges of the places where the Company's shares are listed from time to time, the provisions of laws, administrative regulations, departmental rules, other relevant normative documents, and the listing rules of the stock exchanges of the places where the Company's shares are listed shall prevail. |
| **[Newly added]** | **Article 201** These Articles of Association shall come into effect upon approval by the shareholders' general meeting and from the date when the Company completes its initial public offering of A Shares and is listed on the ChiNext Market. |

| Before Amendment | After Amendment |
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| **Shanghai INT Medical Instruments Co., Ltd.*** **上海瑛泰醫療器械股份有限公司** **RULES OF PROCEDURES FOR THE SHAREHOLDERS' GENERAL MEETING** | **Shanghai INT Medical Instruments Co., Ltd.*** **上海瑛泰醫療器械股份有限公司** **RULES OF PROCEDURES FOR THE SHAREHOLDERS' GENERAL MEETING (Draft)** |
| **2026** | **October 2026** **(Applicable following the issuance and listing of A Shares)** |
| **Article 1** ..... (hereinafter referred to as the "**Company Law**"), ~~the Guide to the Articles of Association of Listed Companies~~ and other relevant laws, regulations, as well as the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Listing Rules**") and the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**") ..... | **Article 1** ..... (hereinafter referred to as the "**Company Law**"), the Code of Corporate Governance for Listed Companies, the Rules for the Shareholders' General Meeting of Listed Companies and other relevant laws, regulations, as well as the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**HKEX Listing Rules**"), the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies and the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**") ..... |
| **Article 7** ..... The shareholders' general meetings shall exercise the authorities stipulated by the Company Law and the Articles of Association, and shall not interfere with the shareholders' disposal of their own rights. | **Article 7** ..... The shareholders' general meetings shall exercise the authorities stipulated by the Company Law, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association, and shall not interfere with the shareholders' disposal of their own rights. |
| **Article 8** ..... (IX) to consider and approve any external guarantee which shall be approved at the shareholders' general meeting;<br><br>..... (XIV) other matters required by the listing rules of the stock exchanges of the places where the Company's shares are listed. | **Article 8** ..... (IX) to consider and approve any external guarantee, financial assistance and transactions (related party (connected) transactions) which shall be approved at the shareholders' general meeting;<br><br>..... (XIV) other matters required by the listing rules of the stock exchanges of the places where the Company's shares are listed.<br><br>The shareholders' general meeting may authorise the Board of Directors to make resolutions on the Company's issue of bonds.<br><br>Unless otherwise provided by laws, administrative regulations, regulations of the CSRC or rules of the stock exchanges of the places where the Company's shares are listed, the above functions and powers of the shareholders' general meeting shall not be performed by the Board of Directors or any other body or individual in the form of authorisation. |

| Before Amendment | After Amendment |
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| **Article 10** ..... (V) other situations stipulated in laws, administrative regulations, departmental rules, ~~the Listing Rules~~ or the Articles of Association. | **Article 10** ..... (V) other situations stipulated in laws, administrative regulations, departmental rules, the securities regulatory rules of the places where the Company's shares are listed or the Articles of Association. |
| **[Newly added]** | **Article 12** When holding a shareholders' general meeting, the Company shall engage lawyers to advise on the following matters and make an announcement:<br><br>(I) whether the procedures for convening and holding the meeting are compliant with the provisions of laws, administrative regulations and the Articles of Association;<br><br>(II) whether the qualifications of the attendees and the convenors are lawful and valid;<br><br>(III) whether the voting procedures and results of the meeting are lawful and valid;<br><br>(IV) legal opinion on other relevant matters at the request of the Company. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 14** With the consent of more than half of all independent directors (independent non-executive directors), the independent directors (independent non-executive directors) have the right to propose to the Board an extraordinary shareholders' general meeting. For the proposal of the independent directors (independent non-executive directors) to hold an extraordinary shareholders' general meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback opinion agreeing or disagreeing to hold an extraordinary shareholders' general meeting within ten days after receiving the proposal. If the Board of Directors agrees to hold an extraordinary shareholders' general meeting, a notice of the convening of the shareholders' general meeting shall be issued within five days after the decision of the Board of Directors is made; if the Board of Directors does not agree to hold an extraordinary shareholders' general meeting, it shall give reasons and make a public announcement. The Audit Committee shall have the right to propose to the Board of Directors the convening of an extraordinary shareholders' general meeting and shall do so in writing.<br><br>The Board of Directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give written feedback on whether to agree or disagree with the convening of the extraordinary shareholders' general meeting within ten days after receiving the proposal. If the Board of Directors agrees to hold an extraordinary shareholders' general meeting, a notice of the convening of the shareholders' general meeting shall be issued within five days after the decision of the Board of Directors is made, and the changes to the original proposal in the notice shall be approved by the Audit Committee. If the Board of Directors does not agree to hold an extraordinary shareholders' general meeting, or fails to give feedback within ten days after receiving the proposal, it shall be deemed that the Board of Directors cannot perform or does not perform its duty to convene the meeting of the shareholders' general meeting, and the Audit Committee may convene and preside over the meeting on its own. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 16** If the Audit Committee or a shareholder decides to convene a shareholders' general meeting on its own, it shall notify the Board of Directors in writing and file with the stock exchange at the same time.<br><br>Before the announcement of the resolution of the shareholders' general meeting, the shareholding ratio of convening shareholders shall not be less than 10%.<br><br>The Audit Committee or the convening shareholders shall, when issuing the notice of the shareholders' general meeting and the announcement of the resolution of the shareholders' general meeting, submit relevant certification materials to the stock exchange.<br><br>The Board of Directors and the secretary to the Board shall cooperate with the Audit Committee or the shareholders' general meeting convened by the shareholders themselves. The Board of Directors will provide a list of shareholders on the date of registration. If the Board of Directors fails to provide the register of shareholders, the convenor may apply to the securities registration and clearing institution with the notice of the shareholders' general meeting for the same. The register of shareholders obtained by the convenor may not be used for purposes other than convening the shareholders' general meeting. |
| **Article 14** When the Company convenes a shareholders' general meeting, the Board of Directors, the Audit Committee and any shareholders individually or jointly holding 1% or more of the Company's shares (including preferred shares with restored voting rights, etc.) shall have the right to put forward proposals to the Company.<br><br>..... The Company shall not increase the shareholding ratio of shareholders who propose temporary proposals. | **Article 17** When the Company convenes a shareholders' general meeting, the Board of Directors, the Audit Committee and any shareholders individually or jointly holding 1% or more of the Company's shares (including preferred shares with restored voting rights, etc.) shall have the right to put forward proposals to the Company.<br><br>The content of a proposal shall be within the functions and powers of the shareholders' general meeting, have definite issues for discussion and specific resolutions, and comply with the relevant provisions of the laws, administrative regulations and the Articles of Association.<br><br>..... The Company shall not increase the shareholding ratio of shareholders who propose temporary proposals.<br><br>Except the provisions in the preceding paragraph, the convenor shall not modify the proposals already listed in the notice of the shareholders' general meeting or add new proposals after issuing the notice of the shareholders' general meeting. Proposals that are not listed in the notice of the shareholders' general meeting or do not comply with the provisions of the laws, administrative regulations and the Articles of Association shall not be voted on and resolutions shall not be made by the shareholders' general meeting. |

| Before Amendment | After Amendment |
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| **Article 16** ..... (VI) the voting times and procedures online or otherwise. | **Article 19** ..... (VI) the voting times and procedures online or otherwise.<br><br>The notice and supplementary notice of the shareholders' general meeting shall fully and completely disclose specific details of every proposal, as well as all information or explanations necessary for shareholders to make a reasonable judgment regarding the matters to be discussed.<br><br>The interval between the record date and the date of the shareholders' general meeting shall not be more than seven working days. Once the record date is confirmed, no change may be made thereto. |
| **[Newly added]** | **Article 22** The venue of the shareholders' general meeting convened by the Company shall be the domicile of the Company or the place specified in the notice of the shareholders' general meeting as determined by the convenor of the shareholders' general meeting. Once the notice of a shareholders' general meeting is issued, the venue of the on-site shareholders' general meeting shall not be altered without proper reason. In the event of alteration, the convenor shall make an announcement to state the reasons at least two working days prior to the convening date of the on-site meeting.<br><br>The shareholders' general meeting shall have a venue and be held on-site. At the same time, it can also be held through electronic communication methods. The Company should make it convenient for shareholders by using secure, economic and convenient network or other methods according to laws, administrative regulations and regulations of the CSRC, the stock exchanges of the places where the Company's shares are listed or the Articles of Association. A shareholder who participates in a shareholders' general meeting by means other than on-site meeting shall be deemed to have been present at the meeting. |
| **Article 24** ..... (III) specific instructions from shareholders, including instructions to vote in favor, against, or abstain from each item on the agenda of the shareholders' general meeting; | **Article 27** ..... (III) specific instructions from shareholders, including instructions to vote in favor, against, or abstain from each item on the agenda of the shareholders' general meeting. A power of attorney shall state clearly that the proxy shall be entitled to vote or not at his/her discretion in the absence of specific instructions from the shareholder; |
| **[Newly added]** | **Article 28** Register of attendees is to be prepared by the Company. The register contains matters such as names of attendees (or names of companies or organisations), identity card number, number of shares carrying the voting right held or represented, and names of persons represented (or names of companies or organisations). |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 29** The convenor and the lawyers shall jointly verify the legitimacy of the eligibility of the shareholders based on the register of shareholders provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the number of shares with voting rights that are held by them. The registration for the meeting shall be terminated before the chairman of the meeting announces the number of shareholders and proxies attending the on-site meeting and the total number of shares with voting rights that they hold. |
| **Article 25** When the Company convenes a shareholders' general meeting, if the shareholders' general meeting requires all the directors and senior management members to attend the meeting, they shall attend the meeting and answer or explain inquiries made by shareholders. | **Article 30** When the Company convenes a shareholders' general meeting, if the shareholders' general meeting requires all the directors and senior management members to attend the meeting, they shall attend the meeting and answer or explain inquiries made by shareholders. Subject to the securities regulatory rules of the places where the Company's shares are listed, the aforesaid persons may attend the meeting via internet, video, telephone or other means with equivalent effect.<br><br>Directors and senior management members shall provide explanations and statements on the inquiries and suggestions put forward by shareholders at the shareholders' general meeting. In any of the following circumstances, directors and senior management members may refuse to answer the inquiries but shall explain the reasons to the inquirer:<br><br>(I) the inquiry is irrelevant to the agenda items of the meeting;<br><br>(II) the matter involved in the inquiry requires further verification;<br><br>(III) the inquiry involves trade secrets of the Company;<br><br>(IV) answering the inquiry would result in a violation of the obligation of fair information disclosure;<br><br>(V) other legitimate causes. |
| **Article 26** A shareholders' general meeting shall be convened by the Board of Directors and chaired by the chairman of the Board. | **Article 31** A shareholders' general meeting shall be convened by the Board of Directors, and chaired and presided over by the chairman of the Board. |
| **Article 27** At the annual shareholders' general meeting, the Board of Directors shall report to the shareholders' general meeting on their work during the preceding year. | **Article 32** At the annual shareholders' general meeting, the Board of Directors shall report to the shareholders' general meeting on their work during the preceding year. Each of the independent directors (independent non-executive directors) shall also report their work. |

| Before Amendment | After Amendment |
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| ~~**Article 28** Directors and senior management members shall provide explanations and statements on the inquiries and suggestions put forward by shareholders at the shareholders' general meeting.~~ | **[Deleted]** |
| **Article 30** ..... (VI) names of vote counter and scrutineer; | **Article 34** ..... (VI) names of lawyer, vote counter and scrutineer; |
| **Article 31** ~~The convenor shall ensure that the contents of the minutes of meetings are true, accurate and complete.~~ The minutes of meetings shall be signed by the directors, secretary to the Board, the convenor or its representative and the chairman of the meeting attending the meeting. | **Article 35** The minutes of meetings shall be signed by the directors, secretary to the Board, the convenor or its representative and the chairman of the meeting attending or present at the meeting, and they shall ensure that the contents of the minutes of meetings are true, accurate and complete. The minutes shall be kept together with the signature register of shareholders attending in person, the proxy forms for shareholders attending by proxy, and valid records of votes cast by internet or other means, for a period of not less than 10 years. |
| **Article 32** ..... In the event that the shareholders' general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be terminated directly. | **Article 36** ..... In the event that the shareholders' general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the shareholders' general meeting as soon as possible or the shareholders' general meeting shall be terminated directly and an announcement shall be made in a timely manner. Meanwhile, the convenor shall report the same to the regional offices of the CSRC at the place where the Company is domiciled and the stock exchanges of the places where the Company's shares are listed. |
| **Article 35** ..... (VI) any other matter specified in the laws, administrative regulations, ~~Listing Rules~~ or Articles of Association and confirmed by an ordinary resolution at a shareholders' general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions;<br><br>(VII) other matters requiring adoption by special resolutions pursuant to the ~~Listing Rules~~. | **Article 39** ..... (VI) any other matter specified in the laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed or Articles of Association and confirmed by an ordinary resolution at a shareholders' general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions;<br><br>(VII) other matters requiring adoption by special resolutions pursuant to the securities regulatory rules of the places where the Company's shares are listed. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 40** When connected (related) transactions are being considered at a shareholders' general meeting, the connected (related) shareholders shall abstain from voting, and the number of shares carrying voting rights held by them shall not be counted in the total number of valid votes; the announcement on the resolutions of the shareholders' general meeting shall fully disclose the voting results of non-connected (related) shareholders.<br><br>Shareholders having a related (connected) relationship with the related (connected) matter or its authorised representatives may attend the shareholders' general meeting and may explain their views to the attending shareholders in accordance with the procedures of the meeting. However, such shareholders or representatives shall abstain from voting on a poll.<br><br>When the shareholders' general meeting considers related party transactions, the chairman of the meeting and the witnessing lawyers shall remind the related (connected) shareholders to abstain from voting before the shareholders cast their votes. The chairman of the meeting shall announce the list of related (connected) shareholders, state whether or not they will participate in the voting, and announce the total number of voting shares held by non-related (connected) parties attending the meeting and their proportion in the total number of shares of the Company before the voting. |
| **Article 36** .....<br>~~When the shareholders' general meeting deliberates major matters affecting the interests of small and medium-sized investors, votes on small and medium-sized investors shall be counted separately. The results of individual counting shall be publicly disclosed in a timely manner.~~<br><br>The shares of the Company held by the Company have no voting rights, and such shares are not included in the total number of shares with voting rights at the shareholders' general meeting. | **Article 41** .....<br>The shares of the Company held by the Company have no voting rights, and such shares are not included in the total number of shares with voting rights at the shareholders' general meeting. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 42** When the shareholders' general meeting deliberates the following major matters affecting the interests of small and medium-sized investors, the voting situation of shareholders other than the Company's directors and senior management and shareholders individually or jointly holding 5% or more of the shares of the listed company shall be counted separately and disclosed:<br><br>(I) election or change of directors and the determination of the remuneration of directors;<br><br>(II) appointment or dismissal of the accounting firm;<br><br>(III) changes in accounting policies and estimates due to reasons other than changes in accounting standards;<br><br>(IV) proposals on changes in the undertakings given by related parties;<br><br>(V) formulation of the profit distribution policies and profit distribution plans;<br><br>(VI) major events such as related party (connected) transactions, provision of guarantee (excluding guarantee provided to subsidiaries within the scope of the consolidated financial statements), entrusted wealth management, provision of financial assistance, use of proceeds, and investment in stocks and their derivatives;<br><br>(VII) securities issuance schemes, material assets restructuring plans, management buyout, equity incentive schemes, employee stock ownership plan, shares repurchase proposals, proposals to spin off subsidiaries for listing;<br><br>(VIII) the Company's proposal to delist its shares from the Shenzhen Stock Exchange;<br><br>(IX) matters that independent directors (independent non-executive directors) consider may be detrimental to the legitimate interest of the small and medium-sized shareholders;<br><br>(X) other matters required by laws, regulations and relevant requirements of the stock exchange of the places where the Company's shares are listed. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 44** When the shareholders' general meeting votes on the election of directors, the cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolution of the shareholders' general meeting. The cumulative voting system shall be implemented when the shareholders' general meeting elects two or more independent directors, or when the shares held by a single shareholder of the Company and its concerted parties account for 30% or more of the total shares. |
| **[Newly added]** | **Article 45** Save for the cumulative voting system, the shareholders' general meeting shall vote on each proposal separately. Where different proposals are submitted in respect of the same matter, they shall be voted on in the order in which the proposals are submitted. Unless the shareholders' general meeting is suspended or unable to reach a resolution due to special circumstances such as force majeure, the shareholders' general meeting shall not defer or decline to vote on any proposal. |
| **Article 40** The shareholders' general meeting shall adopt a registered voting method or other methods permitted by the applicable listing rules for voting. | **Article 48** The shareholders' general meeting shall adopt a registered voting method or other methods permitted by the applicable listing rules of the places where the Company's shares are listed for voting. |
| **Article 41** ..... When the shareholders' general meeting votes on a proposal, ~~the shareholders' representative and the audit committee's representative~~ shall be jointly responsible for vote counting and scrutinising, and the results of voting shall be announced at such meeting. The results of voting of the resolution shall be recorded in the minutes of the meeting. | **Article 49** ..... When the shareholders' general meeting votes on a proposal, the attorney and the shareholders' representative shall be jointly responsible for vote counting and scrutinising, and the results of voting shall be announced at such meeting. The results of voting of the resolution shall be recorded in the minutes of the meeting. Shareholders of the Company or their proxies voting via network or other methods shall have the right to check the results of their votes via the corresponding voting system. |
| **[Newly added]** | **Article 50** The on-site conclusion time of the shareholders' general meeting shall not be earlier than that of network or other methods. The chairman of the meeting shall announce the voting situation and the results of each proposal at the meeting venue, and whether the proposal has been passed according to the voting results.<br><br>Prior to the formal announcement of the voting results, the relevant parties involved in the on-site, network or other voting methods, including the Company, vote counters, scrutineers, shareholders, and network service providers, shall be obligated to keep the voting situation confidential. |

| Before Amendment | After Amendment |
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| **Article 43** ..... except where the securities registration and clearing institution, as a nominee holder under the Mainland-Hong Kong Stock Connect Scheme, makes declarations according to the intentions of the actual holders. | **Article 52** ..... except where the securities registration and clearing institution, as a nominee holder under the Mainland-Hong Kong Stock Connect Scheme, makes declarations according to the intentions of the actual holders. Any vote which is not filled or filled wrongly or with unrecognisable writing or not cast shall be deemed that the voter has waived his/her voting rights, and the voting results representing the shares held by them shall be regarded as "abstain". |
| **[Newly added]** | **Article 54** The resolution of the shareholders' general meeting shall be published in a timely manner, and the announcement shall set forth the number of shareholders and proxies present at the meeting, the total number of voting shares held and their proportion in the total number of voting shares of the Company, the voting method, the voting result of each proposal and the detailed contents of the resolutions approved. Where a resolution is not passed or the current shareholders' general meeting modifies a resolution of the previous shareholders' general meeting, a special note shall be made in the announcement of the resolution of the shareholders' general meeting. |
| **Article 45** Where the shareholders' general meeting approves a resolution in relation to the election of directors, the newly appointed directors shall take office immediately upon ~~approval of such resolution on election by the shareholders' general meeting and the signing of a confirmation statement~~ ..... | **Article 55** Where the shareholders' general meeting approves a resolution in relation to the election of directors, the newly appointed directors shall take office immediately upon the conclusion of the meeting ..... |

| Before Amendment | After Amendment |
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| **Article 47** ..... to request the people's court to cancel the resolution. | **Article 57** ..... to request the people's court to cancel the resolution.<br><br>If there is a dispute among the Board of Directors, shareholders or other relevant parties regarding matters such as the qualifications of the convenor, the convening procedure, the legality of the contents of a proposal or the effectiveness of the resolution of the shareholders' 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 execute the resolution of the shareholders' general meeting. The Company, directors, and senior management should fulfill their duties effectively and timely execute the resolutions of the shareholders' general meeting to ensure the normal operation of the Company.<br><br>If the people's court makes a judgment or ruling on relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, the provisions of the CSRC and the stock exchanges of the places where the Company's shares are listed, fully explain the impact, and actively cooperate with the execution after the judgment or ruling takes effect. Any corrections related to previous matters will be promptly handled and corresponding information disclosure obligations will be fulfilled. |
| **Article 52** In these rules of procedures, the meaning of ''no less than'' and ''within'' includes the underlying number ..... | **Article 62** In these rules of procedures, the meaning of ''no less than'', ''under'' and ''within'' includes the underlying number ..... |
| **[Newly added]** | **Article 64** These rules of procedures shall, upon consideration and approval by the shareholders' general meeting, take effect from the date on which the Company completes the initial public offering and listing of A Shares on the ChiNext Market. |

* *For identification purposes only*

| Before Amendment | After Amendment |
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| **Shanghai INT Medical Instruments Co., Ltd.*** **上海瑛泰醫療器械股份有限公司** **RULES OF PROCEDURES FOR THE BOARD** | **Shanghai INT Medical Instruments Co., Ltd.*** **上海瑛泰醫療器械股份有限公司** **RULES OF PROCEDURES FOR THE BOARD (Draft)** |
| **Article 1** ..... These rules of procedures are formulated in accordance with relevant regulations including..... (hereinafter referred to as the "**Company Law**"), as well as the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ~~(hereinafter referred to as the "**Listing Rules**")~~ and the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"). | **Article 1** ..... These rules of procedures are formulated in accordance with relevant regulations including..... (hereinafter referred to as the "**Company Law**") and the Code of Corporate Governance for Listed Companies, as well as the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies and the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"). |
| **Article 3** ....., including three ~~independent non-executive directors~~; the number of ~~independent non-executive directors~~ is subject to the requirements of the ~~Listing Rules~~, as amended from time to time. | **Article 3** ....., including three independent directors (independent non-executive directors); the number of independent directors (independent non-executive directors) is subject to the requirements of securities regulatory rules of the places where the Company's shares are listed, as amended from time to time. |
| **[Newly added]** | **Article 8** The Board of Directors shall have an Office of the Board to handle its day-to-day affairs. |
| **Article 8** ..... In the event the number of members of the Board of Directors of the Company is less than the quorum as a result of resignation of a director, until the newly elected director takes office ..... | **Article 9** ..... In the event the number of members of the Board of Directors of the Company is less than the quorum as a result of resignation of a director, or the proportion of independent directors (independent non-executive directors) on the Board of Directors of the Company or its specialized committees fails to comply with the provisions of laws, regulations or these Articles of Association as a result of the resignation of an independent director (independent non-executive director), or where there is a lack of accounting professionals among the independent directors (independent non-executive directors), until the newly elected director takes office ..... |
| **Article 8** ..... fulfill the duties as a director. ~~Except as provided in the preceding paragraph, the resignation of a director shall take effect upon the delivery of the resignation report to the Board of Directors. Any person appointed by the Board of Directors as a director to fill a temporary vacancy or increase the number of Board seats shall hold office only until the issuer's first annual general meeting after their appointment and shall be eligible for re-election at that time.~~ | **Article 9** ..... fulfill the duties as a director. However, this does not apply to the circumstances where relevant laws, administrative regulations, departmental rules, or provisions of the CSRC and the stock exchanges of the places where the Company's shares are listed prohibit such an individual from holding office. The resignation report of such director shall take effect only after the succeeding director has filled the vacancy created by his/her resignation. |

| Before Amendment | After Amendment |
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| **Article 10** ..... (XVI) exercising other functions and powers conferred by the laws, administrative regulations, ~~the Listing Rules~~, departmental rules and the Articles of Association or the shareholders' general meetings. | **Article 11** ..... (XVI) exercising other functions and powers conferred by the laws, administrative regulations, securities regulatory rules of the places where the Company's shares are listed, departmental rules and the Articles of Association or the shareholders' general meetings. |
| **Article 10** ..... (XVI) .....<br>~~The Board shall be responsible for the above corporate governance functions and may also assign its responsibilities to one or more special committees under it.~~ | **Article 11** ..... (XVI) .....<br>The statutory powers of the Board of Directors shall be exercised collectively by the Board. Such powers may not be delegated to others, nor may they be altered or deprived by means of these Articles of Association, resolutions of the shareholders' general meeting, or other similar instruments.<br><br>Other functions and powers of the Board of Directors specified in the Articles of Association that involve material businesses and matters shall be determined collectively and shall not be delegated to be exercised individually by an individual director or certain directors. |
| **Article 16** ..... The content of the proposal shall be matters fall within the scope of the terms of reference of the Board of Directors as provided in the Articles of Association, and all materials related to the proposal must be submitted together with the proposal. | **Article 17** ..... The content of the proposal shall be matters fall within the scope of the terms of reference of the Board of Directors as provided in the Articles of Association, and all materials related to the proposal must be submitted together with the proposal.<br><br>If the chairman deems the content of a proposal to be unclear or vague, or the supporting materials to be insufficient, he or she may request the proposer to amend or supplement the proposal. The chairman shall convene and preside over a meeting of the Board of Directors within 10 days after receipt of the proposal that complies with the regulations. |

| Before Amendment | After Amendment |
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| **[Newly added]** | **Article 22** The agenda for a Board meeting shall be prepared in advance, all directors shall be notified in advance and sufficient meeting materials shall be provided, including all information, data and materials necessary for directors to vote on the proposals, such as relevant background materials of the agenda for such meeting, opinions of the special committees of the Board of Directors (if any), and the results of deliberation at a special meeting of independent directors (independent non-executive directors) (if any). Inquiries raised by directors shall be addressed in a timely manner, and relevant meeting materials shall be supplemented prior to the meeting upon the directors' request.<br><br>The secretary to the Board shall ensure that the procedures for convening, holding and voting at a meeting comply with laws and regulations, the relevant provisions of the Exchange and the provisions of the Articles of Association. If the secretary to the Board discovers procedural defects or other circumstances that affect the validity of a resolution of the Board of Directors, he or she shall report such circumstances to the Board of Directors.<br><br>If two or more independent directors (independent non-executive directors) believe that the materials are incomplete with insufficient arguments, or are not provided in a timely manner, they may jointly propose to the Board of Directors in writing for a postponement of the meeting or for a postponement of consideration of the matters concerned. The Board of Directors shall adopt such proposal, and the Company shall disclose the relevant circumstances in a timely manner. |
| **Article 21** .....<br>A Board meeting shall be attended by more than half of the directors. Every director shall have the right to one vote. | **Article 23** .....<br>A Board meeting shall be attended by more than half of the directors. If the number of attending directors falls short of the quorum required for convening the meeting, the convenor of the meeting shall announce that a separate Board meeting shall be convened and shall simultaneously determine the time for such meeting. Every director shall have the right to one vote. |
| **Article 21** ..... Save as otherwise specified in laws, administrative regulations or the Articles of Association, resolutions made by the Board shall be passed by more than half of all directors. | **Article 23** ..... Save as otherwise specified in laws, administrative regulations or the Articles of Association, resolutions made by the Board shall be passed by more than half of all directors. The matters regarding the provision of external guarantees and financial assistance by the Company shall also be approved by more than two-thirds of the directors attending the Board meeting. |

| Before Amendment | After Amendment |
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| **Article 21** ..... Where the number of the non-associated Directors attending the Board meetings is less than three, the matters shall be submitted to the shareholders' general meeting for deliberation. | **Article 23** ..... Where the number of the non-associated Directors attending the Board meetings is less than three, the matters shall be submitted to the shareholders' general meeting for deliberation.<br><br>Where the general manager and the secretary to the Board do not concurrently serve as directors, they shall attend the Board meetings. Where the chairman of the meeting considers it necessary, he/she may notify other relevant personnel to attend Board meetings to provide explanations of issues relating to the agenda matters.<br><br>In principle, independent directors (independent non-executive directors) shall not be absent from the Board meetings involving major matters of the Company that require the independent directors (independent non-executive directors) to express independent opinions. Advance deliberation shall be required for the absence of independent directors (independent non-executive directors) due to special reasons, so as to avoid the absence of all independent directors (independent non-executive directors). If any independent directors (independent non-executive directors) fails to attend Board meetings in person or authorise other independent director (independent non-executive director) to attend the meeting on his/her behalf for two consecutive times, the Board shall, within 30 days from the occurrence of such event, propose convening a shareholders' general meeting to remove the independent directors (independent non-executive directors) from office. |
| **Article 22** ..... (IV) signature of the principal, date, etc.<br><br>~~The director who appoints another director to sign written confirmation opinions on periodic reports on his/her behalf shall make a special authorisation in the power of attorney.~~<br><br>~~The authorised director shall submit the written power of attorney to the chairman of the meeting and indicate his/her proxy attendance on the attendance register.~~ | **Article 24** ..... (IV) signature of the principal, date, etc. |

| Before Amendment | After Amendment |
|---|---|
| **Article 23** Restrictions on proxy attendance<br><br>Attendance at Board meetings by proxy and as a proxy shall be subject to the following principles: .....<br><br>(II) A director shall not accept authorisations from more than two directors, nor shall a director grant authorisation to another director who has already accepted authorisations from two other directors to attend the meeting on his/her behalf. | **Article 25** The authorised director shall submit the written power of attorney to the chairman of the meeting and indicate his/her proxy attendance on the attendance register. In special cases where the original power of attorney cannot be delivered to the chairman of the meeting before the meeting, such power of attorney shall be delivered to the chairman of the meeting via fax before the meeting. And the original power of attorney shall be delivered to the Office of the Board as soon as possible after the Board meeting.<br><br>Restrictions on proxy attendance<br><br>Attendance at Board meetings by proxy and as a proxy shall be subject to the following principles: .....<br><br>(II) a director shall not accept authorisations from more than two directors, nor shall a director grant authorisation to another director who has already accepted authorisations from two other directors to attend the meeting on his/her behalf.<br><br>(III) Independent directors (independent non-executive directors) shall not authorise non-independent directors to vote on their behalf.<br><br>(IV) when considering related party transactions, non-related directors shall not authorise related directors to attend the meeting on their behalf. |
| **Article 24** ..... The Board may adopt written proposal in lieu of Board meeting, but the draft of the said proposal shall be sent to every director by direct delivery, mail, fax or e-mail ..... | **Article 26** ..... Under the premise of fully safeguarding the directors' right to express their opinions, the Board may adopt written proposal in lieu of Board meeting, but the draft of the said proposal shall be sent to every director by direct delivery, mail, fax or e-mail ..... |
| **Article 27** .....<br>Voting at the meeting shall be conducted on the basis of one person, one vote~~, by a show of hands or in writing~~. | **Article 29** .....<br>Voting at the meeting shall be conducted on the basis of one person, one vote by registered ballot. |
| **Article 27** ..... Leaving the meeting venue during the meeting without returning and without making a choice shall be deemed as abstention. | **Article 29** ..... Leaving the meeting venue during the meeting without returning and without making a choice shall be deemed as abstention.<br><br>Where the Board meeting is convened via fax or other communication means, a time limit for voting by communication means shall be specified. Directors who fail to express their opinions within the specified time limit shall be deemed as abstention. |

| Before Amendment | After Amendment |
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| **Article 29** .....<br>~~In case of an equality of votes, the chairman of the Board shall have a casting vote.~~<br><br>In case of any contradiction of content and meaning among different resolutions, the resolution formed at a later time shall prevail. | **Article 31** .....<br>In case of any contradiction of content and meaning among different resolutions, the resolution formed at a later time shall prevail. |
| **[Newly added]** | **Article 40** When the Company convenes a Board meeting, it shall promptly submit the Board resolutions, including Board resolutions where all proposals are rejected, to the Shenzhen Stock Exchange for filing after the meeting concludes. Board resolutions shall be signed and confirmed by the attending directors.<br><br>Where the Shenzhen Stock Exchange requests the minutes of Board meeting, the Company shall provide them as requested by the Shenzhen Stock Exchange. |
| **[Newly added]** | **Article 41** Where the Board resolutions involve major matters described in laws and regulations, and the listing rules of the stock exchanges of the places where the Company's shares are listed, and require announcements in accordance with the relevant regulations of the CSRC or the announcement formatting guidelines formulated by the stock exchanges of the places where the Company's shares are listed, the Company shall separately disclose the announcement of the Board resolutions and the announcement of relevant major matters. |
| **[Newly added]** | **Article 42** Prior to the disclosure of the announcement of resolutions, the attending directors and other attendees, minute-takers and service personnel are obligated to keep the contents of the resolutions confidential. |
| **[Deleted] Chapter 5 Secretary to the Board** | |
| **[Newly added]** | **Article 49** These rules of procedures shall, upon consideration and approval by the shareholders' general meeting, take effect from the date on which the Company completes the initial public offering and listing of A shares on the ChiNext Market. |

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# WORKING SYSTEM FOR INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS) (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** To further improve the corporate governance structure of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**"), strengthen the restraint and supervision mechanism for internal directors and management, protect the interests of minority shareholders and creditors, and promote the standardised operation of the Company, this system is formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "**Company Law**"), the Measures for the Administration of Independent Directors of Listed Companies (hereinafter referred to as the "**Measures for Independent Director**"), the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant laws, regulations, rules, normative documents, as well as the relevant provisions of the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"), in conjunction with the actual situation of the Company.

**Article 2** Independent directors (independent non-executive directors) represent the directors who do not have any position in the Company other than serving as a director and have no direct or indirect interest relationship with the Company and its Substantial Shareholders and de facto controller, or other relationships that may affect their independent and objective judgments.

**Article 3** Independent directors (independent non-executive directors) shall perform their duties independently and impartially, and shall not be influenced by the Company or its Substantial Shareholders, de facto controllers or other entities or individuals. If they find that the matters under consideration affect their independence, it shall declare to the Company and withdraw. During the term of office, if there is any circumstance that obviously affects the independence, the Company shall be notified in a timely manner, and the solution measures shall be proposed, and if necessary, the resignation shall be submitted.

**Article 4** Independent directors (independent non-executive directors) shall have the obligation of fidelity and diligence to the Company and all shareholders, and shall conscientiously perform their duties by playing a role of participation in decision-making, supervision and balance, and professional consultation in the Board of Directors, safeguard the overall interests of the Company and protect the legal rights and interests of minority shareholders in accordance with laws, administrative regulations, the requirements of the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**"), the business rules of stock exchanges and the provisions under the Articles of Association.

**Article 5** Independent directors (independent non-executive directors) of the Company shall constitute no less than one-third of the members of the Board of Directors, and shall include at least one accounting professional and one independent director (independent non-executive director) who is ordinarily resident in Hong Kong.

The Company shall establish an audit committee in the Board of Directors. The Audit Committee shall be composed of directors who are not members of the senior management of the Company, of whom more than half shall be independent directors (independent non-executive directors), and the convenor shall be an accounting professional among the independent directors (independent non-executive directors).

The Company shall set up special committees such as nomination, remuneration, strategy and sustainability committees in the Board of Directors as required. More than half of the members of the Nomination Committee and the Remuneration Committee shall be independent directors (independent non-executive directors), who shall act as the convenor.

## CHAPTER 2 QUALIFICATIONS OF INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS)

**Article 6** Independent directors (independent non-executive directors) shall possess the qualifications commensurate with the exercise of their duties and shall meet the following basic requirements:

(I) possessing the qualifications for a listed company's directorships in accordance with laws, administrative regulations and other relevant provisions;

(II) complying with the independence requirements stipulated by the stock exchanges of the places where the Company's shares are listed;

(III) possessing basic knowledge on the operations of a listed company, and being familiar with relevant laws, regulations and rules;

(IV) possessing at least five years of working experience in legal, accounting or economics fields required for his/her performance of duties as an independent director (independent non-executive director);

(V) possessing good personal integrity and no major breach of trust or other adverse records;

(VI) other conditions stipulated by laws, administrative regulations, regulations of the CSRC, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

**Article 7** Independent directors (independent non-executive directors) and persons proposed to serve as independent directors (independent non-executive directors) shall attend training organised by the CSRC and its authorised bodies in accordance with the regulations, and shall hold a certificate of training for independent directors (independent non-executive directors) or other evidence demonstrating their competence to hold such office.

Independent directors (independent non-executive directors) shall, in principle, serve as independent directors (independent non-executive directors) in a maximum of three domestic listed companies and shall ensure that they have sufficient time and energy to effectively fulfil their duties as independent directors (independent non-executive directors).

**Article 8** Independent directors (independent non-executive directors) must remain independent, and the following persons shall not serve as independent directors (independent non-executive directors):

(I) persons working for the Company or its subsidiaries, their spouses, parents, children, and major social relations;

(II) natural person shareholders directly or indirectly holding more than one percent of the issued shares of the Company or any of the ten largest shareholders of the Company and their spouses, parents and children;

(III) persons who hold a position in the shareholders directly or indirectly holding more than five percent of the issued shares of the Company or any of the five largest shareholders of the Company and their spouses, parents and children;

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

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

(VI) persons providing financial, legal, consulting and sponsorship services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including, but not limited to, all members of the project team of the intermediaries providing the services, reviewers at all levels, persons signing on the report, partners, directors, senior management and key persons in charge;

(VII) persons who fall into the categories set out in items (I) to (VI) within the last twelve months;

(VIII) other persons who are not independent as stipulated by laws, administrative regulations, regulations of the CSRC, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Subsidiaries of the Company's controlling shareholders, de facto controllers in items (IV) to (VI) of the preceding paragraph shall not include those under the control of the same state asset management institution as the Company and not forming a related party relationship with the Company in accordance with relevant regulations.

Independent directors (independent non-executive directors) shall conduct self-checks on their independence annually and submit the self-check results to the Board of Directors. The Board of Directors shall annually evaluate the independence of the incumbent independent directors (independent non-executive directors) and issue a special opinion, which shall be disclosed simultaneously with the annual report.

In this Article, ''major social relations'' refers to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of children's spouses, etc.; ''significant business dealings'' refers to the matters to be submitted to the shareholders' general meeting for consideration according to the securities regulatory rules of the places where the Company's shares are listed and other relevant provisions or requirements of the Articles of Association, or other major matters defined by the securities regulatory authorities of the places where the Company's shares are listed; and ''holding positions'' refers to serving as directors, supervisors, senior managers and other personnel.

## CHAPTER 3 NOMINATION, ELECTION AND REPLACEMENT OF INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS)

**Article 9** The Board of Directors of the Company and shareholders individually or jointly holding more than one percent of the issued shares of the Company may nominate candidates for independent directors (independent non-executive directors) to be elected at the shareholders' general meetings.

Investor protection institutions established in accordance with laws may publicly request shareholders to appoint them to exercise the rights to nominate independent directors (independent non-executive directors) on their behalf.

The nominator(s) referred to in the first paragraph of this Article shall not nominate persons who are interested parties with him/her or other close members who have other circumstances that may affect their independent duty performance as candidates for independent directors (independent non-executive directors).

**Article 10** Candidates for independent directors (independent non-executive directors) shall possess good personal character and shall not have any circumstances specified in laws, regulations and the Articles of Association that prevent nomination as a director of the Company, nor have any of the following bad records:

(I) have been subject to administrative penalties by the CSRC or criminal penalties by judicial authorities due to securities and futures violations or crimes, in the last thirty-six months;

(II) be under investigation by the CSRC or judicial authorities for suspected securities and futures violations or crimes, with no definitive conclusion yet;

(III) received public censure or three or more reprimands from the stock exchange in the last thirty-six months;

(IV) have significant dishonesty or other bad records;

(V) have been proposed by the Board of Directors to the shareholders' general meeting for removal from office due to failing to personally attend Board meetings for two consecutive times and not entrusting other independent directors (independent non-executive directors) to attend on their behalf during the previous term of office as an independent director (independent non-executive director), and less than twelve months have elapsed since such removal;

(VI) other circumstances recognised by the stock exchanges of the places where the Company's shares are listed.

**Article 11** Candidates nominated as independent directors (independent non-executive directors) in their capacity as accounting professionals shall possess extensive accounting expertise and experience, and meet at least one of the following conditions:

(I) being qualified as a certified public accountant;

(II) having a senior title, associate professor or above, or a doctoral degree in accounting, auditing, or financial management;

(III) having a senior title in economic management and more than five years of full-time work experience in accounting, auditing, or financial management positions.

**Article 12** The nominator of independent directors (independent non-executive directors) must obtain the consent of the nominee before making a nomination. The nominator shall fully understand the nominee's profession, educational background, professional titles, detailed work experience, all part time roles, and any significant dishonesty or other negative records, and express opinions on whether he/she meet the independence and other criteria for

serving as an independent director (independent non-executive director). The nominee shall make a public statement regarding his/her compliance with independence and other conditions for serving as an independent director (independent non-executive director).

The Company shall disclose detailed information on candidates for independent directors (independent non-executive directors) prior to the convening of the shareholders' general meeting to ensure that shareholders have sufficient understanding of the candidates at the time of voting.

**Article 13** The Nomination Committee of the Company shall review the qualifications of the nominee and form a clear review opinion.

The Company shall submit the relevant materials of all candidates for independent directors (independent non-executive directors) (including the nominator's declaration and undertaking, the candidate's declaration and undertaking, and the biographical details of candidates for independent directors (independent non-executive directors)) to the stock exchanges of the places where the Company's shares are listed no later than the time when it issues the announcement of the notice of the shareholders' general meeting convened for the election of independent directors (independent non-executive directors), and shall ensure that the materials submitted are true, accurate and complete. The nominator shall undertake in the declaration and undertaking that the nominee has no interest relationship with him/her and there are no other circumstances that may affect the independent performance of duties by the nominee.

Where the Board of Directors of the Company has any objection to the relevant information of the candidates for independent directors (independent non-executive directors), the written opinions of the Board of Directors shall be submitted at the same time.

When convening a shareholders' general meeting to elect independent directors (independent non-executive directors), the Board of Directors of the Company shall explain whether the candidates for independent directors (independent non-executive directors) are objected by the stock exchanges of the places where the Company's shares are listed. The Company shall not submit the candidates for independent directors (independent non-executive directors) to the shareholders' general meeting for election if the Shenzhen Stock Exchange raises any objection.

**Article 14** Where the Company elects two or more independent directors (independent non-executive directors), the cumulative voting system shall apply. The voting results of minority shareholders shall be separately counted and disclosed.

**Article 15** The term of office of an independent director (independent non-executive director) shall be the same as that of the Company's other directors. Upon expiry of the term of office, he/she may be re-elected, but his/her consecutive tenure shall not exceed six years. Where an individual has served as an independent director (independent non-executive

director) of the Company for a continuous period of six years, such individual shall not be nominated as a candidate for the position of independent director (independent non-executive director) of the Company within thirty-six months from the date on which such circumstance occurs.

**Article 16** Where an independent director (independent non-executive director) fails to attend Board meetings in person on two consecutive occasions, and does not authorise another independent director (independent non-executive director) to attend on his/her behalf, the Board of Directors shall, within thirty days from the date of such occurrence, propose to convene the shareholders' general meeting to remove that independent director (independent non-executive director) from office.

**Article 17** Prior to the expiry of an independent director's (independent non-executive director's) term of office, the Company may remove him/her from office in accordance with statutory procedures. Where an independent director (independent non-executive director) is removed from office prior to the expiry of his/her term of office, the Company shall promptly disclose the specific reasons and grounds for such removal. Should the independent director (independent non-executive director) raise any objections, the Company shall promptly disclose such objections as well.

Where an independent director (independent non-executive director) ceases to meet the conditions for independence or is otherwise disqualified from serving as a director of a listed company, he/she shall immediately cease to perform his/her duties and resign from office; if he/she fails to submit his/her resignation, the Board of Directors of the Company shall, upon becoming aware or being deemed to have become aware of such circumstances, immediately remove him/her from office in accordance with the relevant regulations.

Where an independent director (independent non-executive director) submits his/her resignation or is removed from office due to any of the circumstances set out in the preceding paragraph, resulting in the proportion of independent directors (independent non-executive directors) on the Company's Board of Directors or its special committees failing to comply with the provisions of laws, regulations or the Articles of Association, or a shortage of accounting professionals amongst the independent directors (independent non-executive directors), the Company shall complete the by-election within sixty days from the date on which the aforementioned circumstances arise.

**Article 18** An independent director (independent non-executive director) may submit his/her resignation before the expiry of his/her term of office. An independent director (independent non-executive director) intending to resign shall submit a written resignation report to the Board of Directors, setting out any circumstances relating to his/her resignation or any matters he/she deems necessary to bring to the attention of the Company's shareholders and creditors. The Company shall disclose the reasons for the independent director's (independent non-executive director's) resignation and any matters of concern.

Where the resignation of an independent director (independent non-executive director) would result in the proportion of independent directors (independent non-executive directors) on the Company's Board of Directors or its special committees failing to comply with the provisions of laws, regulations or the Articles of Association, or a shortage of accounting professionals amongst the independent directors (independent non-executive directors), the independent director (independent non-executive director) intending to resign shall continue to perform his/her duties until the date on which a new independent director (independent non-executive director) is appointed. The Company shall complete the by-election within sixty days from the date on which the independent director (independent non-executive director) submits the resignation.

## CHAPTER 4 RIGHTS AND DUTIES OF INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS)

**Article 19** Independent directors (independent non-executive directors) shall perform the following duties:

(I) to participate in the decision-making of the Board of Directors and express clear opinions on matters under discussion;

(II) to supervise potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors and senior management, as set out in Article 21 of this system and in Article 26, Article 27 and Article 28 of the Measures for Independent Director, ensuring that decisions made by the Board of Directors are in the interests of the Company as a whole and protecting the legitimate rights and interests of minority shareholders;

(III) to provide professional and objective advice on the Company's operations and development, thereby enhancing the decision-making of the Board of Directors;

(IV) other duties as stipulated by laws, administrative regulations, relevant regulations of the CSRC and the stock exchanges of the places where the Company's shares are listed, as well as the Articles of Association.

**Article 20** In order to give full play to the role of independent directors (independent non-executive directors), in addition to the functions and powers conferred upon directors by the Company Law and other relevant laws and regulations, independent directors (independent non-executive directors) shall also fully exercise the following special functions and powers:

(I) to independently engage intermediaries to conduct audits, provide consultancy or carry out verifications on specific matters concerning the Company;

(II) to propose to the Board of Directors the convening of an extraordinary general meeting;

(III) to propose the convening of Board meetings;

(IV) to publicly solicit shareholder rights in accordance with the laws;

(V) to express independent opinions on matters that may prejudice the interests of the Company or its minority shareholders;

(VI) other functions and powers as stipulated by laws, administrative regulations, relevant regulations of the CSRC and the stock exchanges of the places where the Company's shares are listed, as well as the Articles of Association.

Where an independent director (independent non-executive director) exercises the functions and powers listed in items (I) to (III) of the preceding paragraph, such exercise shall be subject to the approval of a majority of all independent directors (independent non-executive directors).

Where an independent director (independent non-executive director) exercises the functions and powers set out in the first paragraph of this Article, the Company shall make timely disclosures. Where the aforementioned functions and powers cannot be duly exercised, the Company shall disclose the specific circumstances and reasons therefor.

**Article 21** The following matters shall be submitted to the Board of Directors for consideration upon obtaining the consent of a majority of all independent directors (independent non-executive directors) of the Company:

(I) disclosable related-party transactions;

(II) proposals by the Company and related parties to amend or waive undertakings;

(III) decisions made and measures taken by the board of directors of the target company in relation to an acquisition;

(IV) other matters as stipulated by laws, administrative regulations, relevant regulations of the CSRC and the stock exchanges of the places where the Company's shares are listed, as well as the Articles of Association.

**Article 22** When expressing independent opinions, independent directors (independent non-executive directors) shall ensure that the opinions expressed are explicit and clear, and shall at least include the following contents:

(I) the basic information of the significant matter;

(II) the basis for expressing the opinions, including the procedures performed, the documents verified, the details of on-site investigations and other information;

(III) the legality and compliance of the significant matter;

(IV) the impact on the interests of the Company and minority shareholders, the potential risks and the effectiveness of measures adopted by the Company;

(V) the conclusive opinions expressed, including the opinions of consent, the qualified opinions and their reasons, the dissenting opinions and their reasons, the disclaimer of opinions and the obstructions thereto.

Independent directors (independent non-executive directors) shall sign and confirm the independent opinions issued, report the opinions to the Board of Directors in a timely manner, which shall be disclosed together with the relevant announcements of the Company.

**Article 23** Independent directors (independent non-executive directors) shall perform their duties at the special committees under the Board of Directors of the Company in accordance with laws, administrative regulations, regulations of the CSRC, the business rules of the stock exchanges of the places where the Company's shares are listed, and the Articles of Association. Independent directors (independent non-executive directors) shall personally attend the meetings of special committees which they serve. If they are unable to personally attend the meetings for any reasons, they shall review the meeting materials in advance, form explicit opinions and authorise another independent director (independent non-executive director) in writing to attend on their behalf. If an independent director (independent non-executive director) identifies major matters of the Company within the scope of duties of the special committee while performing his/her duties, he/she may, in accordance with the procedures, promptly propose such matters to the special committees for discussion and consideration.

**Article 24** Prior to the convening of a Board meeting, independent directors (independent non-executive directors) may communicate with the secretary to the Board to make enquiries, request supplementary materials, and offer opinions and suggestions on the matters to be considered. The Board of Directors and relevant personnel shall seriously study the questions, requests and opinions raised by the independent directors (independent non-executive directors) and provide timely feedback to the independent directors (independent non-executive directors) on the implementation of modifications to the proposals.

**Article 25** Independent directors (independent non-executive directors) shall personally attend the Board meetings. If the independent directors (independent non-executive directors) are unable to personally attend the meetings for any reasons, they shall review the meeting materials in advance, form explicit opinions and authorise another independent director (independent non-executive director) to attend on their behalf. An independent director (independent non-executive director) shall not authorise a non-independent director to attend the meeting on his/her behalf.

Independent directors (independent non-executive directors) who vote against or abstain from voting on resolutions of the Board of Directors shall explain the specific reasons and basis, and the legality and compliance of the matters involved in the proposals, the potential risks, the impact on the interests of the Company and the minority shareholders, and other matters. When disclosing the resolutions of the Board of Directors, the Company shall disclose at the same time the dissenting opinions of the independent directors (independent non-executive directors) and record the same in the resolutions of the Board of Directors and the minutes of the meeting.

If two or more independent directors (independent non-executive directors) consider that the materials for the Board meetings are incomplete, the reasoning is insufficient or they are not provided in a timely manner, they may propose in writing to the Board of Directors to postpone the meeting or postpone the consideration of such matters, and the Board of Directors shall adopt such proposal.

**Article 26** Independent directors (independent non-executive directors) shall pay continuous attention to the implementation of resolutions of the Board of Directors related to the matters specified in Article 21 of this system, and in Article 26, Article 27 and Article 28 of the Measures for Independent Director. Upon discovering any circumstances that violate laws, administrative regulations, regulations of the CSRC, the business rules of the stock exchanges of the places where the Company's shares are listed, and the provisions of the Articles of Association, or that violate the resolutions of the shareholders' general meeting and the Board of Directors, they shall promptly report to the Board of Directors and may require the Company to provide written explanations. If the matter involves disclosure, the Company shall disclose it in a timely manner.

If the Company fails to provide an explanation or make a timely disclosure in accordance with the preceding paragraph, independent directors (independent non-executive directors) may report to the CSRC and the stock exchanges of the places where the Company's shares are listed.

**Article 27** The on-site working time of an independent director (independent non-executive director) at the Company shall not be less than fifteen days for each year.

In addition to attending the shareholders' general meetings, meetings of the Board of Directors and its special committees, and the special meetings of independent directors (independent non-executive directors) in accordance with the requirements, independent directors (independent non-executive directors) may perform their duties through various means, such as regularly obtaining information on the Company's operations, receiving briefings from the management, communicating with the person in charge of the internal audit body and intermediaries such as the accounting firm undertaking the audit of the Company, conducting on-site inspections, and communicating with the minority shareholders.

**Article 28** Independent directors (independent non-executive directors) shall prepare work records, detailing the performance of their duties. Information obtained by independent directors (independent non-executive directors) in the course of performing their duties, minutes of relevant meetings, records of communications with the staff members of the Company and the intermediaries, etc. shall constitute parts of the work records. With respect to the important contents in the work records, independent directors (independent non-executive directors) may request the secretary to the Board and other relevant personnel to sign and confirm, and the Company and the relevant personnel shall cooperate with such request.

Work records of independent directors (independent non-executive directors) and the information provided by the Company to independent directors (independent non-executive directors) shall be kept for at least ten years.

**Article 29** Independent directors (independent non-executive directors) shall perform their duties as directors in accordance with laws, have a thorough understanding of the operating conditions of the Company and the contents of Board meeting agendas, and safeguard the interests of the Company and all shareholders, with a particular focus on the protection of the legitimate rights and interests of minority shareholders.

Where a conflict arises among the shareholders or the directors of the Company resulting in a material impact on the operation and management of the Company, independent directors (independent non-executive directors) shall proactively perform their duties to safeguard the overall interests of the Company.

**Article 30** Independent directors (independent non-executive directors) shall promptly report to the stock exchanges of the places where the Company's shares are listed under any of the following circumstances:

(I) the independent director (independent non-executive director) is dismissed by the Company and personally considers the reasons for the dismissal are improper;

(II) the independent director (independent non-executive director) resigns by reason of the circumstances where such independent director (independent non-executive director) is hindered by the Company from exercising his/her functions and powers in accordance with laws;

(III) the materials for a Board meeting are incomplete or insufficient in reasoning, and the proposals from two or more independent directors (independent non-executive directors) requesting in writing for postponing the Board meeting or the consideration of relevant matters is not adopted;

(IV) the Board of Directors fails to adopt effective measures after receiving a report on suspected illegal and non-compliant acts by the Company or any of its directors or senior management;

(V) other circumstances that constitute a material hindrance to the independent director (independent non-executive director) in the performance of his/her duties.

**Article 31** Independent directors (independent non-executive directors) shall submit an annual duty performance report to the annual general meeting of the Company to explain the performance of their duties. The annual duty performance report shall include the following contents:

(I) the number of Board meetings attended, the method of attendance and voting records, and the number of shareholders' general meetings attended;

(II) the participation in the work of the special committees of the Board of Directors and the special meetings of independent directors (independent non-executive directors);

(III) the consideration of the matters listed in Article 21 of this system and in Article 26, Article 27 and Article 28 of the Measures for Independent Director, and the exercise of the special powers of independent directors (independent non-executive directors) listed in paragraph 1 of Article 20 of this system;

(IV) the material matters, methods and results of communications with the internal audit body and the accounting firm undertaking the audit of the Company in respect of the financial and business conditions of the Company;

(V) the communication with minority shareholders;

(VI) the duration and content of on-site work at the Company;

(VII) other circumstances concerning the performance of duties.

The annual duty performance report of independent directors (independent non-executive directors) shall be disclosed no later than the time when the Company issues the notice of the annual general meeting.

**Article 32** Independent directors (independent non-executive directors) shall continuously deepen their learning of securities laws, regulations and rules to enhance their ability to perform their duties.

## CHAPTER 5 SPECIAL MEETINGS OF INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS)

**Article 33** Meetings convened regularly or irregularly by the Company that are attended solely by independent directors (independent non-executive directors) are special meetings of independent directors (independent non-executive directors). Matters listed in item (I) to (III) of paragraph 1 of Article 20, and Article 21 of this system shall be considered at the special meetings of independent directors (independent non-executive directors).

Other matters of the Company may be studied and discussed at the special meetings of independent directors (independent non-executive directors) as necessary.

**Article 34** Special meetings of independent directors (independent non-executive directors) are classified into regular meetings and extraordinary meetings. Regular meetings shall be convened at least once per year, and an extraordinary meeting may be convened upon requested by the proposal from two or more independent directors (independent non-executive directors). When the Company convenes a special meeting of independent directors (independent non-executive directors), it shall give notice to all independent directors (independent non-executive directors) three days before the meeting is convened. The notice period may not be subject to the restriction under this Article with a unanimous consent of all independent directors (independent non-executive directors).

Notices of meeting may be delivered by fax, email, telephone, personal delivery or post. Where the notice of meeting is delivered by telephone, email or other prompt means of notification, the person being notified shall be deemed to have received the notice of the meeting if no written objection is received within 2 days from the date of issuance of the notice.

**Article 35** The notice of meeting shall include:

(I) the time and location of the meeting to be convened;

(II) the duration of meeting;

(III) the agenda to be discussed at the meeting;

(IV) the contact person of the meeting and his/her contact information;

(V) the date of notice of the meeting.

**Article 36** The special meetings of independent directors (independent non-executive directors) may be held in the form of an on-site meeting or an off-site meeting (including but not limited to telephone, video, fax, email, etc.). The special meetings of independent directors (independent non-executive directors) shall be convened only if more than two-thirds of the independent directors (independent non-executive directors) are present, and the

independent directors (independent non-executive directors) shall attend the special meetings of independent directors (independent non-executive directors) in person. Where any independent director cannot attend the meetings in person for any reason, he/she shall review the meeting materials in advance, form explicit opinions and authorise another independent director (independent non-executive director) in writing to attend on his/her behalf.

**Article 37** The special meetings of independent directors (independent non-executive directors) shall be convened and presided over by an independent director (independent non-executive director) jointly elected by more than half of the independent directors (independent non-executive directors). Where the convenor fails to fulfill his/her duties or is unable to fulfill his/her duties, two or more independent directors (independent non-executive directors) may convene the meeting on their own and elect a representative to preside over the meeting.

**Article 38** The independent directors (independent non-executive directors) shall express their independent opinions at the special meetings. The types of opinions may include the opinions of consent, the qualified opinions and their reasons, the dissenting opinions and their reasons, the disclaimer of opinions and the obstructions thereto. The opinions expressed shall be explicit and clear.

**Article 39** Votes at the special meetings of independent directors (independent non-executive directors) shall be conducted by a show of hands or written poll. Independent directors (independent non-executive directors) attending the special meeting by off-site means shall deliver their valid votes to the Office of the Board of the Company by fax, post or other methods within the stipulated period.

**Article 40** Minutes of the special meetings of independent directors (independent non-executive directors) should be prepared and the opinions of independent directors (independent non-executive directors) shall be set out in the minutes of the meetings. Independent directors (independent non-executive directors) attending the meeting and the minute taker shall sign the minutes. Minutes of the special meetings of independent directors (independent non-executive directors) shall be kept for ten years.

**Article 41** All independent directors (independent non-executive directors) attending the meetings are obligated to keep matters considered at the meeting confidential and shall not disclose such information without approval.

## CHAPTER 6 SAFEGUARDS FOR DUTY PERFORMANCE BY INDEPENDENT DIRECTORS (INDEPENDENT NON-EXECUTIVE DIRECTORS)

**Article 42** The Company shall provide the necessary working conditions and personnel support for the independent directors (independent non-executive directors) to perform their duties, and designate the secretary to the Board, the Office of the Board and other dedicated departments and dedicated personnel to assist the independent directors (independent non-

executive directors) to perform their duties. The Company shall provide convenience and support for the convening of special meetings of independent directors (independent non-executive directors).

The secretary to the Board shall ensure smooth information flow between the independent directors (independent non-executive directors) and other directors, senior management and other relevant personnel, and ensure that the independent directors (independent non-executive directors) have access to adequate resources and necessary professional advice when performing their duties.

**Article 43** The Company shall ensure that the independent directors (independent non-executive directors) have equal right to information as the other directors. In order to ensure that the independent directors (independent non-executive directors) exercise their functions and powers effectively, the Company shall regularly inform the independent directors (independent non-executive directors) of the Company's operating conditions, provide information, and organise or cooperate with the independent directors (independent non-executive directors) to carry out site visits and other work.

The Company may organise independent directors (independent non-executive directors) to participate in the research and discussion sessions before the Board of Directors considers material and complicated matters, so as to fully listen to the opinions of the independent directors (independent non-executive directors), and timely feedback to the independent directors (independent non-executive directors) on the adoption of opinions.

**Article 44** The Company shall give notice of Board meetings to independent directors (independent non-executive directors) in a timely manner, provide relevant meeting materials no later than the notice period of the Board meeting as stipulated by laws, administrative regulations, provisions of the CSRC or the Articles of Association, and provide effective communication channels for the independent directors (independent non-executive directors). Where the meetings are convened by the special committees under the Board of Directors, the Company shall, in principle, provide the relevant materials and information no later than three days prior to convening of the special committee meeting.

Meetings of the Board of Directors and the special committees shall, in principle, be convened on-site. Under the premise of ensuring that all attending directors can fully communicate and express their opinions, meetings may be convened via video, telephone, or other methods in accordance with procedures when necessary.

**Article 45** When independent directors (independent non-executive directors) exercise their powers, the relevant personnel such as the directors and senior management of the Company shall actively cooperate, and shall not refuse, obstruct, or conceal, nor shall they interfere with the independent exercise of their powers.

If independent directors (independent non-executive directors) encounter obstruction while exercising their functions and powers in accordance with laws, they may explain the situation to the Board of Directors, request cooperation from relevant personnel such as the directors and senior management, and record the specific obstructing circumstances and the resolution status in their work records. If the obstruction still cannot be eliminated, they may report to the CSRC and the stock exchanges of the places where the Company's shares are listed.

If matters related to the performance of duties by independent directors (independent non-executive directors) involve information that should be disclosed, the Company shall promptly handle the disclosure matters. If the Company refuses to make the disclosure, independent directors (independent non-executive directors) may directly apply for disclosure, or report to the CSRC and the stock exchanges of the places where the Company's shares are listed.

**Article 46** The expenses incurred by the independent directors (independent non-executive directors) for engaging intermediaries and other necessary expenses incurred while exercising their functions and powers shall be borne by the Company.

**Article 47** The Company shall grant the independent directors (independent non-executive directors) allowances commensurate with their duties. The standards for the allowances shall be formulated in a scheme by the Board of Directors, considered and approved by the shareholders' general meeting, and disclosed in the Company's annual report.

In addition to the aforementioned allowances, the independent directors (independent non-executive directors) shall not derive any other benefits from the Company, its substantial shareholders, de facto controller, or other interested entities and individuals.

**Article 48** The Company will, as required, establish a necessary liability insurance system for independent directors (independent non-executive directors) to mitigate the risks that may arise from the normal performance of duties by independent directors (independent non-executive directors).

## CHAPTER 7 SUPPLEMENTARY PROVISIONS

**Article 49** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant national laws, regulations, normative documents and the Articles of Association, as stated in Article 1. In case of any conflicts between this system and any subsequently promulgated national laws, regulations or the Articles of Association as amended by lawful procedures, the relevant national laws, regulations and the Articles of Association shall prevail.

**Article 50** Should there be any amendments to this system required due to changes in actual circumstance, the Board of Directors shall submit the amendments to the shareholders' general meeting for consideration.

**Article 51** This system shall be interpreted by the Board of Directors of the Company.

**Article 52** This system shall, upon consideration and approval by the shareholders' general meeting, take effect from the date on which the Company completes the initial public offering and listing of A shares on the ChiNext Market.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# MANAGEMENT SYSTEM OF RELATED PARTY (CONNECTED) TRANSACTIONS (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to strengthen the management of connected transactions of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**"), standardise related party (connected) transaction practices, effectively prevent and control operational risks, ensure the legality, fairness and reasonableness of related party (connected) transactions, and safeguard the legitimate rights and interests of the Company and all its shareholders, this system is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "**ChiNext Listing Rules**"), the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies, the Shenzhen Stock Exchange Self-Regulatory Guidance No. 7 for Listed Companies — Transactions and Related Party Transactions, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other laws, regulations, rules and normative documents, as well as the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**").

References to related parties (connected persons) of the Company herein include related legal persons and related natural persons as defined in the ChiNext Listing Rules and connected persons as defined in the Hong Kong Listing Rules.

References to related party (connected) transactions of the Company herein include related party transactions under the ChiNext Listing Rules and connected transactions under the Hong Kong Listing Rules.

**Article 2** This system applies to the Company and its branches and subsidiaries included in its consolidated financial statements.

**Article 3** This system is binding on the shareholders, directors, and senior management of the Company, all of whom shall comply therewith.

**Article 4** The related party (connected) transactions of the Company shall adhere to the principles of impartiality, fairness and openness, and shall be evidenced by written agreements. Such agreements shall be executed in accordance with the principles of equality, voluntariness, equivalence and consideration, with clear and specific terms and shall comply with the relevant provisions of the securities regulatory rules of the places where the Company's shares are listed.

## CHAPTER 2 DEFINITION OF RELATED PARTY (CONNECTED PERSON) AND RELATED PARTY (CONNECTED) TRANSACTION

**Article 5** Pursuant to the Hong Kong Listing Rules, the connected persons of the Company include:

(I) directors (including any person who served as a director of the Company or its branches or subsidiaries in the past 12 months), supervisors (if any), general managers, and substantial shareholders of the Company and its branches and subsidiaries (hereinafter referred to as "**basic connected persons**"). A substantial shareholder refers to a person who is able to exercise or control the exercise of 10% or more of the voting rights at any shareholders' general meeting of the Company or its branches and subsidiaries;

(II) associates of the aforementioned basic connected persons (for the definition of "associates", please refer to Chapter 9 of this system for details);

(III) any non-wholly-owned subsidiary of the Company in which the aforementioned basic connected persons and their associates (excluding basic connected persons and their associates of the branches and subsidiaries of the Company) are entitled, individually or collectively, to exercise or control the exercise of 10% or more of the voting rights at the shareholders' general meetings of such non-wholly-owned subsidiary;

(IV) branches and subsidiaries at all levels subordinate to the non-wholly-owned subsidiaries of the Company referred to in sub-paragraph 3. above;

(V) persons deemed to be connected by The Stock Exchange of Hong Kong Limited.

**Article 6** Except for the non-wholly-owned subsidiaries of the Company and their subordinate branches and subsidiaries at all levels as specified in sub-paragraphs 3. and 4. of Article 5, other branches and subsidiaries of the Company do not constitute connected persons of the Company. Directors, senior management and substantial shareholders of the insignificant subsidiaries of the Company do not constitute connected persons of the Company (for the definition of insignificant subsidiaries, please refer to Chapter 9 of this system for details).

**Article 7** In addition to the persons mentioned above, connected persons also include any natural persons or legal persons deemed to be connected persons under the rules of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Stock Exchange**") as may be in force from time to time. If the definition of "related party (connected person)" herein conflicts with the Hong Kong Listing Rules that come into effect thereafter, the Hong Kong Listing Rules in force on the date of identification of connected persons shall prevail.

**Article 8** Pursuant to the ChiNext Listing Rules, a legal person or other organisation falling under any of the following circumstances shall be deemed a related legal person of the Company:

(I) a legal person or other organisation that directly or indirectly controls the Company;

(II) a legal person or other organisation, other than the Company or its controlled subsidiaries, that is directly or indirectly controlled by the entity described in the preceding sub-paragraph;

(III) any legal person or other organisation, other than the Company or its controlled subsidiaries, that is directly or indirectly controlled by a related natural person of the Company listed in Article 9 of this system, or in which such related natural person acts as a director (excluding independent directors serving on both boards) or senior management;

(IV) a legal person or other organisation holding 5% or more of the Company's shares, and its persons acting in concert;

(V) any legal person or other organisation that the China Securities Regulatory Commission, the Shenzhen Stock Exchange, or the Company, on the basis of the principle of substance over form, determines to have a special relationship with the Company which may cause the Company to favour its interests.

**Article 9** Pursuant to the ChiNext Listing Rules, a natural person falling under any of the following circumstances shall be deemed a related natural person of a listed company:

(I) a natural person who directly or indirectly holds 5% or more of the company's shares;

(II) directors or senior management of the company;

(III) directors, supervisors (if any) and senior management of a legal person or other organisation that directly or indirectly controls the company;

(IV) close family members of the persons described in paragraphs I to III of this Article, including spouses, parents, parents-in-law, siblings and their spouses, children aged 18 or above and their spouses, siblings of the spouse, and parents of the child's spouse;

(V) other natural persons identified by the China Securities Regulatory Commission, the Shenzhen Stock Exchange or the listed company, on the basis of the principle of substance over form, to have a special relationship with the listed company which may cause the listed company to favour their interests.

**Article 10** Pursuant to the ChiNext Listing Rules, a legal person or natural person falling under any of the following circumstances shall be deemed a related party of the Company:

(I) a legal person or natural person that, as a result of entering into an agreement or making an arrangement with the Company or its related parties, falls under any of the circumstances specified in Article 8 or Article 9 after the agreement or arrangement takes effect or in the next 12 months;

(II) a legal person or natural person that fell under any of the circumstances specified in Article 8 or Article 9 in the past 12 months;

**Article 11** Directors, senior management, shareholders holding 5% or more of the Company's shares and their persons acting in concert, and the de facto controller of the Company shall promptly submit to the Board of Directors a list of its related parties (connected persons) and a description of their related party (connected) relationships, and the Company shall duly maintain the relevant records.

**Article 12** Pursuant to the Hong Kong Listing Rules, the Company's connected transactions include one-off connected transactions and continuing connected transactions.

One-off connected transactions refer to connected transactions other than the continuing connected transactions described below.

Continuing connected transactions refer to connected transactions involving goods, services, or the provision of financial assistance, which are expected to continue or occur frequently over a period of time. They are usually transactions conducted by the Company in the ordinary course of its business, including but not limited to:

(I) selling products or goods;

(II) providing or receiving services;

(III) entrusted or commissioned sales;

(IV) entering into a licensing agreement;

(V) transferring or acquiring research and development projects;

(VI) entrusted or commissioned management of assets and businesses;

(VII) leasing in or out assets;

(VIII) providing financial assistance;

(IX) other matters that should be deemed continuing connected transactions under the Hong Kong Listing Rules.

**Article 13** Under the ChiNext Listing Rules, these refer to transactions involving the transfer of resources or obligations between the Company or its controlled subsidiaries and the Company's related parties, including:

(I) acquiring or selling assets;

(II) making external investment (including entrusted wealth management and investment in subsidiaries but excluding establishment of and capital increase to wholly-owned subsidiaries);

(III) providing financial assistance (including entrusted loans);

(IV) providing guarantees (i.e., a listed company provides guarantees for others, including guarantees for controlled subsidiaries);

(V) leasing in or out assets;

(VI) entering into management-related contracts (including entrusting others or being entrusted for business operation);

(VII) donating assets or accepting asset donations;

(VIII) restructuring of claims or debts;

(IX) transferring research and development projects;

(X) entering into a licensing agreement;

(XI) waiving rights (including the right of first refusal and the pre-emptive subscription right);

(XII) purchasing raw materials, fuels and power;

(XIII) selling products or goods;

(XIV) providing or receiving services;

(XV) entrusted or commissioned sales;

(XVI) joint investments by both related parties;

(XVII) other matters that may result in the transfer of resources or obligations by agreement;

(XVIII) matters that should be deemed related party transactions under the securities regulatory rules of the places where the Company's shares are listed.

## CHAPTER 3 MANAGEMENT OF RELATED PARTY (CONNECTED) TRANSACTIONS

**Article 14** The shareholders' general meeting of the Company is responsible for the approval of related (connected) party transactions that are required to be decided by the shareholders' general meeting pursuant to laws, regulations and the provisions of securities regulatory authorities.

The Board of Directors of the Company is responsible for the approval of related party (connected) transactions that are required to be approved by the Board of Directors, other than those specified in the preceding paragraph, as well as other related party (connected) transactions as prescribed by securities regulatory authorities.

The Audit Committee of the Board of Directors of the Company is responsible for the confirmation of the list of the Company's related parties (connected persons), the overall review of related party (connected) transactions and the regular verification of the overall status of the Company's related party (connected) transactions, particularly including the verification of the decision-making and performance of all related party (connected) transactions of the Company within 10 days after the end of each half-year, the verification of the overall status of all related party (connected) transactions of the Company within 30 days after the end of each year, and the submission of verification opinions formed by it to the Board of Directors.

The Audit Committee of the Company is responsible for the supervision of the deliberation, voting, disclosure and performance of related party (connected) transactions.

The Office of General Manager of the Company is responsible for the deliberation and decision-making of related party (connected) transactions within its scope of authority, and the filing of relevant matters with the Board of Directors for the record.

**Article 15** The Office of the Board of the Company is responsible for the identification, review and management of related parties (connected persons), the compilation and dynamic maintenance of the list of related parties (connected persons), the organisation of decision-making procedures for related party transactions at the Company's shareholders' general meetings and Board meetings, and the information disclosure and disclosure exemption applications in respect of related party (connected) transactions.

The financial management department is responsible for the accounting recording, calculation, reporting and statistical analysis of related party (connected) transactions, and the submission of relevant materials on a quarterly basis to the Office of the Board for the record.

The legal affairs department is responsible for the verification of agreements in respect of related party (connected) transactions, and the submission of relevant materials on a quarterly basis to the Office of the Board for the record.

The relevant functional departments of the Company are responsible for, within their respective scope of duties, the preparation of proposals on related party (connected) transactions, the execution of agreements in respect of related party (connected) transactions, and the supervision and reporting of the progress of related party (connected) transactions.

**Article 16** Prior to the occurrence of each transaction, the relevant functional departments of the Company shall report the matter to the Office of the Board, which shall organise the following departments to conduct contract review and countersigning in respect of the transaction, specifically including:

(I) the financial management department, responsible for verifying the transaction-related data and conducting ratio tests;

(II) the Office of the Board, responsible for the verification of the list of related parties (connected persons), determining whether the counterparty is a related party (connected person) included in the list, whether any potential related parties (connected persons) require an update to the list of related parties (connected persons), and whether disclosure of the transaction is required;

(III) the legal affairs department, responsible for reviewing the agreement in respect of the transaction.

The results of the review of related party (connected) transactions shall be reported to the Office of the Board for the record, and the Office of the Board shall organise the implementation of the decision-making procedures for such related party (connected) transactions. No agreement in respect of a related party (connected) transaction may be signed, nor may the transaction be carried out, until the decision-making procedures have been completed.

**Article 17** Each branch and subsidiary of the Company is responsible for coordinating the management of related party (connected) transactions entered into by them, implementing the review process for related party (connected) transactions in accordance with the relevant regulations of the Company, and reporting the review results of each related party (connected) transaction to the Office of the Board of the Company.

**Article 18** Each functional department of the Company shall designate personnel responsible for managing related parties (connected persons) and related party (connected) transactions within their department. Each branch and subsidiary of the Company shall designate the department and personnel responsible for managing related parties (connected persons) and related party (connected) transactions, and shall report such designations to the Office of the Board of the Company for the record.

## CHAPTER 4 REPORTING AND REGISTRATION OF RELATED PARTIES (CONNECTED PERSONS)

**Article 19** The Company's related parties (connected persons) shall promptly notify the Office of the Board of the Company of any related party (connected) relationships subsisting between them and the Company; they shall also promptly notify the Office of the Board of any changes to the information of such related parties (connected persons).

All departments, branches and subsidiaries of the Company shall promptly submit information on the Company's related parties (connected persons) arising from transactions entered into by them directly to the Office of the Board of the Company; where there are any changes to the information of relevant related parties (connected persons), they shall promptly submit such changes to the Office of the Board.

**Article 20** The Office of the Board of the Company shall issue letters of confirmation on changes in related parties (connected persons) to the relevant related parties (connected persons) of the Company on an annual basis, compile and update the list (if necessary), and submit the compiled and updated list of related parties (connected persons) to the Audit Committee of the Board of Directors of the Company for review, while circulating it to all departments, branches and subsidiaries of the Company for reference. Upon confirmation of the Company's list of related parties (connected persons), the Audit Committee of the Board of Directors of the Company shall promptly report to the Board of Directors of the Company.

**Article 21** Information of the Company's related parties (connected persons) subject to filing includes:

(I) the name and organisation code of legal persons, or the full name and ID number of natural persons, as the case may be;

(II) a description of the related party (connected) relationship with the Company.

## CHAPTER 5 DECISION-MAKING ON RELATED PARTY (CONNECTED) TRANSACTIONS

**Article 22** Where the Company or any of its branches or subsidiaries intends to engage in a related party (connected) transaction with a related party (connected person), such transaction may proceed only after the decision-making procedures set forth in this chapter have been followed.

Proposals for related party (connected) transactions submitted for decision-making at a meeting shall provide a detailed explanation of the specific terms of the transaction, the pricing policy, the necessity and feasibility of the transaction, and its impact on the interests of the Company and its shareholders.

When the Company engages in a related party (connected) transaction, it shall determine and apply the decision-making procedures specified in this system in accordance with the methods, as prescribed by the securities regulatory rules of the domestic and overseas places where the Company's shares are listed, for calculating the transaction amount for different types and circumstances of transactions.

**Article 23** Pursuant to the ChiNext Listing Rules, where a transaction (excluding provision of guarantees or financial assistance) between the Company and a related party satisfies any of the following conditions, it shall be subject to the deliberation procedure of the Board of Directors following approval by a majority of all independent directors, and shall be disclosed in a timely manner:

(I) The amount of the transaction with the related natural person exceeds RMB300,000;

(II) The amount of the transaction with the related legal person exceeds RMB3 million and accounts for 0.5% or more of the absolute value of the Company's latest audited net assets.

**Article 24** Pursuant to the ChiNext Listing Rules, a transaction (excluding provision of guarantees) between the Company and a related party with an amount exceeding RMB30 million and accounting for 5% or more of the absolute value of the Company's latest audited net assets shall be submitted to the shareholders' general meeting for consideration, and evaluated or audited by a securities service institution in compliance with the Securities Law. The Company shall disclose the relevant valuation or audit report.

Transactions between the Company and related parties that fall under any of the following circumstances may be exempt from audit or evaluation:

(I) day-to-day related party transactions as defined in Article 27 of this system;

(II) transactions in which all parties, including related parties, contribute capital in cash, and the equity interests of each party in the investee are determined in proportion to their respective capital contributions;

(III) other circumstances specified by the stock exchanges of the places where the Company's shares are listed.

Even if a related party transaction does not satisfy the conditions set forth in the first paragraph of this Article, the Company shall disclose the audit or valuation report in accordance with the provisions of the first paragraph so long as the stock exchanges of the places where the Company's shares are listed deem it necessary.

The following transactions between the Company and its related parties may be exempt from consideration at the shareholders' general meeting as required by the first paragraph of this Article:

(I) public tenders or auctions applicable to non-specified parties (excluding restricted methods such as invited tenders), except where such tenders or auctions are unlikely to result in a fair price;

(II) transactions unilaterally beneficial to the Company, including the acceptance of cash donations and the debt reduction;

(III) related party transactions priced by the state;

(IV) transactions in which the related party provides funds to the Company at an interest rate no higher than the loan prime rate set by the People's Bank of China, and for which the Company provides no corresponding collateral;

(V) transactions in which the Company provides products and services to its directors and senior management on terms equivalent to those offered to non-related parties.

**Article 25** Pursuant to the ChiNext Listing Rules, where the Company provides a guarantee to a related party, it shall promptly disclose such information after approval by the Board of Directors and submit it to the shareholders' general meeting for consideration.

Where a transaction results in the guaranteed party becoming a related party of the Company, the Company shall, at the time of carrying out such transaction or related party transaction, fulfil the corresponding deliberation procedures and disclosure obligations regarding the existing related party guarantee.

In the event that the Board of Directors or the shareholders' general meeting has not approved the related party guarantee specified in the preceding paragraph, the parties to the transaction shall take effective measures, such as early termination of the guarantee.

**Article 26** Pursuant to the ChiNext Listing Rules, the Company shall not provide financial assistance to related parties as defined in Article 8, Article 9 and Article 10 of this system, except where financial assistance is provided to a related investee (excluding entities controlled by the Company's controlling shareholder or de facto controller) and the other shareholders of such investee provide financial assistance on equal terms in proportion to their capital contributions.

Where the Company provides financial assistance to a related investee as specified in the preceding paragraph, in addition to requiring approval by a majority of all non-related directors, it shall also be approved by at least two-thirds of the non-related directors present at the meeting of the Board of Directors and submitted to the shareholders' general meeting for consideration.

For the purposes of this Article, "related investee" refers to a related legal person or other organisation in which the Company holds an equity interest and that is a related legal person or other organisation of the Company as defined in Article 10 of this system.

**Article 27** In accordance with the ChiNext Listing Rules, when the Company engages in day-to-day related party transactions with its related parties, it shall disclose such transactions and follow the deliberation procedures as set forth below:

(I) The Company may reasonably estimate the annual amount of day-to-day related party transactions by category and, after completing the deliberation procedures, make the required disclosures; where the actual amount exceeds the estimated amount, the Company shall re-perform the relevant deliberation procedures and disclosure obligations based on the excess amount;

(II) The Company shall disclose the related party transactions by category and on an aggregated basis in its annual and semi-annual reports;

(III) Where the term of a day-to-day related party transaction agreement entered into by the Company with a related party exceeds three years, the Company shall repeat the relevant deliberation procedures and fulfil its disclosure obligations every three years.

**Article 28** Pursuant to the ChiNext Listing Rules, related party transactions that do not require consideration by the Board of Directors or the shareholders' general meeting shall be reviewed and approved by the Office of General Manager of the Company.

**Article 29** Pursuant to the Hong Kong Listing Rules, where the Company intends to enter into a connected transaction that meets any one of the following standards, the transaction shall be considered and approved by the Office of General Manager of the Company. Where the connected transaction intended to be entered into by the branches and subsidiaries of the Company meets any one of the following standards, the transaction shall be considered and approved by such branch and subsidiary according to relevant decision-making process; and after the abovementioned decision-making process has been completed, such transaction shall be reported to the Office of the Board of the Company for filing:

(I) issues or repurchases of securities in compliance with the Hong Kong Listing Rules;

(II) directors' service contracts entered into by the Company or its branches and subsidiaries;

(III) consumer goods or consumer services and sharing of administrative services in compliance with the Hong Kong Listing Rules;

(IV) the highest value of the ratio tests conducted according to the Hong Kong Listing Rules is (1) less than 0.1%; (2) less than 1% and the transaction constitutes a connected transaction solely because the connected person involved only has relationship with or is connected with the branches and subsidiaries of the Company; or (3) less than 5% and the total transaction price (or, in case of financial assistance, the total amount of financial assistance together with any monetary advantages given to the connected person or commonly held entity) is less than HK$3 million;

(V) a transaction conducted on normal commercial terms or better terms with a connected person at the branch or subsidiary level of the Company according to the Hong Kong Listing Rules, provided that: (1) the Board of Directors of the Company has approved the transaction; and (2) the independent director(s) of the Company has/have confirmed that the terms of the transaction are entered into on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole;

(VI) transactions between the Company and a connected person who is connected with the Company solely by virtue of his/her relationship with an insignificant subsidiary of the Company;

(VII) transactions with associates of passive investors (as defined under the Hong Kong Listing Rules) according to the Hong Kong Listing Rules.

**Article 30** Pursuant to the Hong Kong Listing Rules, where the Company intends to enter into a connected transaction that meets the following standards, the transaction shall be considered and approved by the Office of General Manager of the Company and then submitted to the Board of Directors of the Company for consideration and approval. Where the connected transaction intended to be entered into by the branches and subsidiaries of the Company meets the following standards, after the relevant decision-making process has been completed by such branches and subsidiaries, the Office of General Manager of the Company shall submit the transaction to the Board of Directors of the Company for consideration and approval. After the abovementioned decision-making process has been completed, such transaction shall be reported to the Office of the Board of the Company for filing, and the related party transaction shall be timely disclosed in the form of announcement upon consideration and approval by the Board of Directors of the Company:

The highest value of the ratio tests conducted according to the Hong Kong Listing Rules is: (1) less than 5%; or (2) less than 25% and the total transaction amount is less than HK$10 million.

**Article 31** Pursuant to the Hong Kong Listing Rules, where the Company intends to enter into a connected party transaction and the transaction does not fall into the category mentioned in Article 29 and Article 30 above (i.e. the highest value of the ratio tests is higher than 5%), such transaction shall be considered and approved by the Board of Directors of the Company and then submitted to the shareholders' general meetings of the Company for consideration and approval. Where the connected transaction intended to be entered into by the branches and subsidiaries of the Company does not fall into the category mentioned in Article 29 and Article 30 above (i.e. the highest value of the ratio tests is higher than 5%), after the relevant decision-making process has been completed by such branches and subsidiaries, the Office of General Manager of the Company shall submit the transaction to the Board of Directors of the Company for consideration and approval. After the Board of Directors of the Company considered and approved the transaction, it shall then be submitted to the shareholders' general meeting of the Company for consideration and approval. After the abovementioned decision-making process has been completed, such transaction shall be reported to the Office of the Board of the Company for filing; and the connected transaction shall be timely disclosed in the form of announcement and circular upon consideration and approval by the Board of Directors of the Company.

**Article 32** Where a proposed related party (connected) transaction of the Company or any of its branches and subsidiaries is subject to the consideration and approval by the shareholders' general meeting of the Company, it shall be submitted to the Board of Directors of the Company for consideration after prior approval by the independent directors (independent non-executive directors) of the Company. The independent directors (independent non-executive directors) may, at the Company's expense, engage an independent financial adviser to issue a report as the basis for their judgement.

For any proposed related party (connected) transaction of the Company or any of its branches and subsidiaries that is subject to the consideration and approval by the shareholders' general meeting of the Company, the Audit Committee of the Board of Directors of the Company shall, at the same time, review and form a written opinion on such related party (connected) transaction matter, and submit the same to the Board of Directors of the Company for consideration. The Audit Committee of the Board of Directors of the Company may, at the Company's expense, engage an independent financial adviser to issue a report as the basis for its judgement.

**Article 33** According to the Hong Kong Listing Rules, when the Company or its branches and subsidiaries conduct the following connected transactions, the amounts of such connected transaction shall be calculated on an aggregated basis for a period of 12 consecutive months, and the requirements of this Chapter shall apply accordingly:

(I) transactions entered into with the same connected person or persons who are connected with one another;

(II) transactions involving the acquisition or disposal of parts of one asset, or securities or interests in a company;

(III) the transactions that will lead to substantial involvement of the Company and its branches and subsidiaries in a new business activity.

Where the decision-making process at the shareholders' general meeting has been carried out on an aggregated basis, such transactions shall no longer be included in the scope of the relevant aggregation.

**Article 34** Pursuant to the ChiNext Listing Rules, the following related party transactions occurring within twelve consecutive months by the listed company shall be subject to the provisions of Article 23 and Article 24 in accordance with the principle of cumulative calculation:

(I) transactions entered into with the same related party;

(II) transactions related to the same subject matter entered into with different related parties.

The abovementioned same related party includes other related parties that are under the common control of the same entity with that related party, or have an equity control relationship with each other.

Where the relevant obligations have been performed in accordance with the provisions of Article 23 and Article 24, such transactions shall no longer be included in the scope of relevant cumulative calculation. Related party transaction matters that have been disclosed by the Company but for which the consideration procedures of the shareholders' general meeting have not been performed shall still be included in the scope of cumulative calculation to determine the consideration procedures that should be performed.

**Article 35** When the Board of Directors of the Company considers matters relating to related party (connected) transactions, the related (connected) director(s) shall abstain from voting, and shall not exercise voting rights on behalf of other directors.

Such meeting of the Board of Directors may be convened in the presence of a majority of the non-related (connected) directors, and the resolutions passed at the Board of Directors shall require the approval by a majority of the non-related (connected) directors. If the number of non-related (connected) directors attending such meeting of the Board of Directors is less than three, the transaction shall be submitted to the shareholders' general meeting of the Company for consideration.

A related (connected) director includes a director falling under any of the following circumstances:

(I) the counterparty to the transaction;

(II) possessing direct or indirect control over the counterparty to the transaction;

(III) holding a position in the counterparty to the transaction, or in a legal person or other organisation that can directly or indirectly control such counterparty to the transaction, or a legal person or other organisation directly or indirectly controlled by such counterparty to the transaction;

(IV) a close family member of the counterparty to the transaction or a person possessing direct or indirect control over such counterparty to the transaction;

(V) a close family member of any director or senior management of the counterparty to the transaction or a person possessing direct or indirect control over the counterparty to the transaction;

(VI) a person whose independent business judgment, as identified by the Company, may be compromised due to other reasons.

**Article 36** When the shareholders' general meeting of the Company considers matters relating to related party (connected) transactions, the related (connected) shareholder(s) shall abstain from voting, and shall not exercise voting rights on behalf of other shareholders. The number of voting shares represented by the related (connected) shareholder(s) shall not be counted in the total number of voting shares required to be counted in relation to the relevant resolution.

A related (connected) shareholder includes a shareholder falling under any of the following circumstances:

(I) the counterparty to the transaction;

(II) possessing direct or indirect control over the counterparty to the transaction;

(III) being directly or indirectly controlled by the counterparty to the transaction;

(IV) being directly or indirectly controlled by the same legal person or natural person as the counterparty to the transaction;

(V) whose voting rights are restricted or affected due to the existence of outstanding equity transfer agreements or other agreements with the counterparty to the transaction or its related parties (connected persons);

(VI) a legal person or natural person that, as identified by the Company, may cause the Company to act in favour of his or its interests.

**Article 37** For related party (connected) transactions that satisfy the conditions for exemption from disclosures, the Board of Directors of the Company may apply to the stock exchange for an exemption in accordance with the securities regulatory rules of the places where the Company's shares are listed.

## CHAPTER 6 SPECIAL PROVISIONS FOR CONTINUING RELATED PARTY (CONNECTED) TRANSACTIONS

**Article 38** Pursuant to the Hong Kong Listing Rules, where the Company or any of its branches and subsidiaries enters into continuing connected transactions with connected persons, it shall perform the corresponding decision-making process and disclosure obligations respectively in accordance with the provisions of this chapter:

(I) For a continuing connected transaction occurring for the first time, the Company and the connected person shall enter into a written agreement and submit the same to the Board of Directors or the shareholders' general meeting of the Company for consideration based on the total annual transaction amount involved in the agreement, and disclose the details of the transaction in a timely manner; if the actual amount executed by the Company thereafter exceeds the estimated total amount, the Company shall re-submit it to the Board of Directors or the shareholders' general meeting of the Company for consideration and disclosure based on the excess amount;

(II) For continuing connected transaction agreements that have been considered and approved by the shareholders' general meeting or the Board of Directors of the Company and are being executed, if no material change has occurred in the principal terms during the execution process, the Company shall disclose the actual performance of each agreement in the annual report as required, stating whether the provisions of each agreement have been observed; if material changes have occurred in the principal terms during the execution process of an agreement or if an agreement is due for renewal, the Company shall re-submit the newly amended or renewed continuing connected transaction agreement to the Board of Directors or the shareholders' general meeting of the Company for consideration based on the total annual transaction amount involved in the agreement;

(III) Each continuing connected transaction is budgeted for the total annual transaction amount by the relevant functional departments and financial management department;

(IV) At the beginning of each accounting year, the Office of the Board of the Company shall compile statistics on the continuing connected transactions to determine the cap of each type of continuing connected transactions for the year and inform the relevant functional departments in a timely manner;

(V) If the Office of the Board of the Company estimates, after statistical compilation, that the annual transaction amount of a continuing connected transaction will exceed the pre-approved annual cap, the Office of the Board should promptly compile the relevant annual transaction amount, and organise the corresponding decision-making process in accordance with the new annual cap and disclose the details of the transaction in a timely manner;

(VI) The connected transactions in excess of the pre-approved annual cap and that do not follow the required decision-making process shall not be implemented.

**Article 39** The continuing related party (connected) transaction agreement entered into by the Company and a related party (connected person) should include:

(I) pricing policy and basis;

(II) the transaction price;

(III) the total volume of transactions for each year and the basis for their determination;

(IV) the time and manner of payment; and

(V) other principal terms that should be disclosed.

**Article 40** The term of continuing related party (connected) transaction agreements entered into by the Company and a related party (connected person) should generally be limited to three years or less; if such continuing related party (connected) transaction agreements of three years or less exceeds three years, the Company should re-perform the decision-making process and disclosure obligations every three years in accordance with the requirements, and the independent financial adviser appointed by the Company should explain the reasons for the term exceeding three years and confirm that such term is consistent with the general treatment for such agreements in the industry.

**Article 41** The independent directors (independent non-executive directors) of the Company shall annually review the continuing related party (connected) transactions and express opinions on the continuing related party (connected) transactions of the Company and its branches and subsidiaries in the annual report.

**Article 42** The external auditors of the Company shall issue a letter to the Board of Directors of the Company annually to express their opinions on the continuing related party (connected) transactions of the Company and its branches and subsidiaries. The Company should allow the external auditors to verify the relevant accounts so that the external auditors can express such opinions.

**Article 43** The Company shall disclose in its annual report details of each year's continuing related party (connected) transactions, including the date, parties, substance, purpose, amount and principal terms of each related party (connected) transaction as well as the nature and extent of the interests of the related parties (connected persons) in such transactions.

## CHAPTER 7 DISCLOSURE OF RELATED PARTY (CONNECTED) TRANSACTIONS

**Article 44** For related party (connected) transactions required to be disclosed under the securities regulatory rules of the places where the Company's shares are listed, the Company shall disclose the execution, modification, termination and performance of such related party (connected) transactions agreements in accordance with the relevant requirements.

**Article 45** The contents required to be disclosed in an announcement relating to related party (connected) transactions mainly include:

(I) a general description of the related party (connected) transaction;

(II) the date of the transaction;

(III) the name and the principal business of the counterparty to the transaction, and its related party (connected) relationship with the Company;

(IV) the transaction price and its basis of determination and the terms thereof;

(V) the time and manner of payment;

(VI) the reasons for and benefits of entering into the transaction;

(VII) the opinions of the Board of Directors;

(VIII) whether there are any related (connected) directors who are required to abstain from voting at the Board meetings;

(IX) in the case of a continuing related party (connected) transaction, the contractual term, the total transaction amount in each year and the basis of determination, and the actual amounts incurred in related party (connected) transactions of the same type in the past three years; a confirmation by the independent directors (independent non-executive directors) in respect of the matters referred to in Rule

14A.55 of the Hong Kong Listing Rules; and a statement by the auditor in respect of the matters referred to in Rule 14A.55 of the Hong Kong Listing Rules shall also be disclosed;

(X) other contents as required under the securities regulatory rules of the places where the Company's shares are listed.

**Article 46** If, during the negotiation of a related party (connected) transaction, the price of the Company's shares fluctuates significantly as a result of rumours or reports of such related party (connected) transaction in the market, the Company shall make clarification announcements as appropriate in accordance with the relevant regulations.

## CHAPTER 8 ACCOUNTABILITY

**Article 47** The related parties (connected persons) of the Company shall not prejudice the interests of the Company with their related party (connected) relationship. In case of a breach which causes losses to the Company, they shall be liable for compensation.

**Article 48** In the event that a related party (connected person) misappropriates the Company's assets and prejudices the interests of the Company and its shareholders, the Company shall have the right to take effective measures to require the related party (connected person) to cease the infringement, and shall have the right to apply to the People's Court for judicial freezing of the Company's assets misappropriated by the related party (connected person) and the Company's shares held by such person (if any).

**Article 49** If the director or senior management of the Company violates the laws, regulations and this system to assist or connive the misappropriation of the Company's assets and prejudice to the interests of the Company by a related party (connected person), the Board of Directors of the Company may, depending on the severity of the case, impose penalty against those directly responsible and remove the director or senior management who holds serious responsibility, and shall have the right to demand appropriate compensation from them according to the extent of the loss suffered by the Company; where a crime is constituted, the matter shall be transferred to judicial authorities for handling.

**Article 50** If there is any dereliction of duty or malfeasance on the part of the management body of the related party (connected) transactions at all levels and the relevant personnel of the Company in the course of handling related party (connected) transactions causing impact on or losses to the Company, the Company shall have the right to impose penalty against the person directly responsible, including criticism, warning and removal from office, depending on the severity of the case.

**Article 51** In the event that a shareholder of the Company suffers economic losses as a result of an act committed by a related party (connected person) that is detrimental to the interests of the Company and other shareholders and institutes a civil action for compensation in accordance with the laws, the Company is obliged to provide support such as providing the relevant information in compliance with the laws, regulations and the Articles of Association.

## CHAPTER 9 SUPPLEMENTARY PROVISIONS

**Article 52** For the purpose of Article 5 of this system, an ''associate'' includes:

(I) With respect to a natural person, including those who have relationships with the basic connected person as below:

(1) (a) his/her spouse; his/her (or his spouse's) child or step-child, natural or adopted, under the age of 18 years (each an ''**immediate family member**'');

(b) the trustees, acting in their capacity as trustees, of any trust of which the individual or his/her immediate family member is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object (other than a trust which is an employees' share scheme or occupational pension scheme established for a wide range of participants and in which the aggregated interests of the connected persons are less than 30%) (the''**trustees**''); or

(c) a 30%-controlled company held, directly or indirectly, by the individual, his/her immediate family members and/or the trustees (individually or together), or any of its subsidiaries; or

(2) (a) a person cohabiting with him/her as a spouse, or his/her child, step-child, parent, stepparent, brother, step-brother, sister or step-sister (each a ''**family member**''); or

(b) a majority-controlled company held, directly or indirectly, by the family members (individually or together), or held by the family members together with the individual, his/her immediate family members and/or the trustees, or any of its subsidiaries.

(II) With respect to a legal person, including those who have relationships with the basic connected person as below:

(1) its subsidiary or holding company, or a fellow subsidiary of such holding company;

(2) the trustees, acting in their capacity as trustees, of any trust of which the company is a beneficiary or, in the case of a discretionary trust, is (to its knowledge) a discretionary object (the "**trustees**"); or

(3) a 30%-controlled company held, directly or indirectly, by the company, the companies referred to in paragraph (1) above and/or the trustees (individually or together), or any of its subsidiaries.

(III) Where a person or his/her associate(s), other than holding an indirect interest in a 30%-controlled company through the listed issuer's group, separately holds an aggregated interest of less than 10% in such company, such company shall not be deemed as an associate of such person.

(IV) An associate of a person includes any joint venture partner of a cooperative or contractual joint venture (whether or not it is a separate legal entity) where:

(1) such person (being an individual), his/her immediate family members and/or the trustees; or

(2) such person (being a company), any of its subsidiaries, its holding company or fellow subsidiaries of its holding company and/or the trustees,

together, directly or indirectly, hold 30% (or such other percentage as prescribed by the PRC laws, which is the amount required to trigger a mandatory general offer or to establish legal or management control over a enterprise) or more interests in the contributed capital or assets of the joint venture, or the contractual share of its profits or other income.

(V) In addition to the above, other natural and legal persons determined as associates pursuant to the Hong Kong Listing Rules. In the event of any conflict between the definition of an associate under this system and the Hong Kong Listing Rules coming into force thereafter, the Hong Kong Listing Rules in effect on the date when the associate is defined shall prevail.

**Article 53** For the purpose of Article 6 of this system, an "insignificant subsidiary" refers to a subsidiary of the company that fulfils any of the following conditions:

(I) the values of the ratio tests based on total assets, revenue and profits for the past three accounting years are all below 10%;

(II) the values of the ratio tests based on total assets, revenue and profits for the last accounting year are all below 5%.

**Article 54** For the purpose of this system, the ''ratio tests'' include:

(I) total assets test: the total assets involved in the relevant transaction divided by the latest disclosed audited or unaudited total assets of the Company;

(II) income test: the revenue attributable to the assets involved in the relevant transaction, excluding incidental items of income or revenue, divided by the audited revenue of the Company disclosed in the most recent year;

(III) profits test: the profits attributable to the assets involved in the relevant transaction (after deducting all charges except taxation, and excluding profits attributable to non-controlling interests) divided by the audited revenue of the Company disclosed in the most recent year;

(IV) consideration test: the consideration of the transaction divided by the total market capitalisation of the listed company (calculated by multiplying the average closing price of the Company's shares on the Hong Kong Stock Exchange for the five trading days prior to the date of transaction agreement by the total number of shares of the Company); and

(V) equity capital test: where the shares of the Company are involved as the consideration, the nominal value of the equity capital as the consideration for the transaction divided by the nominal value of the total issued equity capital of the Company prior to the transaction.

**Article 55** Matters not included herein shall be implemented in accordance with the relevant provisions of the national laws, regulations and regulatory documents, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association. In case of any conflict between this system and the above regulations, the national laws, regulations and regulatory documents, the securities regulatory rules of the places where the Company's shares are listed and the Articles of Association shall prevail.

**Article 56** Unless otherwise specified, terms used herein shall have the same meanings ascribed to them in the Articles of Association and the securities regulatory rules of the places where the Company's shares are listed.

**Article 57** The right to interpret this system shall belong to the Board of Directors of the Company. The Office of the Board of the Company shall update and modify this system in a timely manner in accordance with the latest requirements on related party (connected) transactions promulgated by the Hong Kong Stock Exchange, and inform the relevant departments.

**Article 58** This system shall take effect and be implemented upon consideration and approval by the shareholders' general meeting and from the date of completion of the Company's initial public offering of A shares and listing on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# MANAGEMENT SYSTEM OF EXTERNAL GUARANTEES
# (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to standardise the external guarantee activities of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**"), safeguard the interests of investors, effectively control the risks associated with the Company's external guarantees, and promote the Company's sound and stable development, this system is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "**ChiNext Listing Rules**"), the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other laws, regulations, rules, normative documents, as well as the provisions of the Articles of Association of Shanghai INT Medical Instruments Co., Ltd. (hereinafter referred to as the "**Articles of Association**").

**Article 2** This system shall apply to the Company and its controlled subsidiaries (hereinafter referred to as "**subsidiaries**").

Where a subsidiary provides a guarantee for a legal person or other organisations within the scope of the Company's consolidated financial statements, the Company shall disclose the matter promptly after the subsidiary has completed its deliberation procedures. The subsidiary shall, upon the adoption of a resolution by its board of directors or shareholders' general meeting, promptly notify the Company to fulfil its information disclosure obligations in accordance with applicable regulations.

The provisions of the preceding paragraph shall not apply where a subsidiary provides a guarantee for the Company.

Where a subsidiary provides a guarantee for any entity other than those specified in the second paragraph of this Article, such guarantee shall be deemed to have been provided by the Company and shall be subject to the relevant provisions of this system.

**Article 3** For the purposes of this system, external guarantees refer to guarantees, asset mortgages, pledges and other forms of security provided by the Company out of its own assets or relying on its creditworthiness for any other entity (including subsidiaries). Specifically, such guarantees include loan guarantees, guarantees for letters of credit and bank acceptance bills issued by banks, and guarantees in the form of letters of guarantee.

**Article 4** For the purposes of this system, ''total external guarantees of the Company and its subsidiaries'' refers to the sum of the Company's total external guarantees (including guarantees provided by the Company to its subsidiaries) and the total external guarantees of its subsidiaries. References to ''total assets'' and ''net assets'' herein shall be based on the Company's consolidated financial statements.

**Article 5** The Company shall adhere to the principles of equality, voluntariness, good faith and mutual benefit in providing external guarantees, and the Company has the legal right to refuse any coercive demands to provide guarantees for others.

**Article 6** Internal controls over the Company's external guarantees shall adhere to the principles of legality, prudence, mutual benefit and security, and shall strictly control guarantee risks.

**Article 7** The Company shall exercise unified management over guarantee matters in accordance with the law, and the Company's branches or branch organisations shall not provide any guarantees to external parties. Without the Company's approval, subsidiaries shall not provide any guarantees to external parties, nor shall they provide guarantees to one another.

**Article 8** Directors of the Company shall address the debt risks arising from guarantees with due care and exercise strict control over such risks, and shall bear joint and several liability in accordance with the law for any losses arising from non-compliant or improper guarantees.

**Article 9** Where the Company provides external guarantees, it shall, where practicable, require the counterparty to provide a counter-guarantee, and carefully assess the actual guarantee capacity of the counter-guarantor and the enforceability of the counter-guarantee.

## CHAPTER 2 BENEFICIARIES OF EXTERNAL GUARANTEES

**Article 10** The Company may provide guarantees for entities with independent legal personality and strong debt-repayment capacity that satisfy one of the following conditions:

(I) entities with which the Company has a reciprocal guarantee arrangement for business purposes;

(II) entities with significant or potentially significant business relationships with the Company;

(III) the Company's controlled subsidiaries and investees.

**Article 11** Notwithstanding that an applicant for a guarantee fails to satisfy the conditions set out in Article 10 of this system, the Company may provide a guarantee for such applicant upon approval by the shareholders' general meeting, provided that the Company considers it necessary to develop business dealings and cooperative relationships with such applicant and the risk involved is relatively low.

## CHAPTER 3 APPROVAL OF EXTERNAL GUARANTEES

**Article 12** External guarantees provided by the Company shall be approved by the Board of Directors or the shareholders' general meeting.

**Article 13** In addition to obtaining approval by a majority of all directors, any guarantee to be provided by the Company (including guarantees to controlled subsidiaries, etc.) shall be approved by a resolution passed by at least two-thirds of the directors present at the board meeting, and shall be disclosed to the public in a timely manner; in the case of a guarantee provided by the Company for a related party (connected person), the related (connected) directors shall abstain from voting.

Where the provision of a guarantee by the Company falls within any of the following circumstances, it shall also be submitted to the shareholders' general meeting for consideration upon approval by the Board of Directors:

(I) The amount of a single guarantee exceeds 10% of the Company's latest audited net assets;

(II) Any guarantee provided after the aggregate amount of guarantees already provided by the Company and its controlled subsidiaries to external parties exceeds 50% of the Company's latest audited net assets;

(III) Any guarantee provided after the aggregate amount of guarantees already provided by the Company and its controlled subsidiaries to external parties exceeds 30% of the Company's latest audited total assets;

(IV) A guarantee is provided to a counterparty with a gearing ratio exceeding 70%;

(V) The amount of guarantees provided within twelve consecutive months exceeds 50% of the Company's latest audited net assets and exceeds RMB50 million in absolute terms;

(VI) The cumulative amount of guarantees provided to others within twelve consecutive months exceeds 30% of the Company's latest audited total assets;

(VII) A guarantee is provided to the Company's shareholders, de facto controllers and their related parties (connected persons);

(VIII) Other circumstances as specified by the stock exchanges of the places where the Company's shares are listed or in the Articles of Association.

The guarantee matters under the preceding paragraph (VI) submitted to the shareholders' general meeting of the Company for consideration shall be approved by at least two-thirds of the voting rights held by the shareholders present at the meeting.

In addition to obtaining approval by a majority of all non-related (connected) directors, any guarantee to be provided by the Company for a related party (connected person) shall be approved by a resolution passed by at least two-thirds of the non-related directors present at the board meeting, and shall be submitted to the shareholders' general meeting for consideration.

Where the shareholders' general meeting deliberates a proposal to provide guarantees for any of the Company's shareholders, de facto controllers or their related parties (connected persons), such shareholder or the shareholder controlled by the de facto controller shall abstain from voting on such matter; and such vote shall be approved by a majority of the voting rights held by non-related (connected) shareholders present at the shareholders' general meeting.

Where the Company provides a guarantee for any of its controlling shareholders, de facto controllers or their related parties (connected persons), such controlling shareholders, de facto controllers and their related parties (connected persons) shall provide a counter-guarantee.

**Article 14** Apart from matters specified in Article 13 requiring approval by the shareholders' general meeting, all other external guarantee matters of the Company shall be approved by the Board of Directors.

For guarantee matters required to be submitted to the shareholders' general meeting for consideration, the higher of the data set out in the guaranteed party's latest audited annual financial statements and its latest financial statements shall prevail when determining whether the guaranteed party's gearing ratio exceeds 70%.

**Article 15** Where an external guarantee constitutes a disclosable transaction or a related party (connected) transaction as defined in the Hong Kong Listing Rules, or where the securities regulatory rules of the places where the Company's shares are listed provide otherwise, the relevant provisions shall also be complied with.

**Article 16** Where the Company provides guarantees to its controlled subsidiaries, and such guarantees are numerous each year and require frequent entering into guarantee agreements, rendering it impractical to submit each agreement to the Board of Directors or the shareholders' general meeting for consideration, the Company may estimate the aggregate amount of new guarantees to be provided for the next twelve months for the subsidiaries with

a gearing ratio of 70% or above and those with a gearing ratio below 70% as shown in their latest financial statements, respectively, and submit such estimates to the shareholders' general meeting for consideration.

When the aforementioned guarantee are actually provided, the Company shall make timely disclosure. The outstanding guarantee balance at any time shall not exceed the guarantee limit approved by the shareholders' general meeting.

**Article 17** Where a debt guaranteed by the Company requires an extension upon maturity and the Company is to continue to provide the guarantee, it shall be deemed as a new external guarantee, and the relevant deliberation procedures and information disclosure obligations shall be re-performed.

**Article 18** Where, as a result of a transaction, the guaranteed party becomes a related party (connected person) of the Company, the Company shall, upon implementation of such transaction or related party (connected) transaction, perform the corresponding deliberation procedures and information disclosure obligations in respect of any existing related party (connected) guarantees. Where the Board of Directors or the shareholders' general meeting fails to approve the aforementioned related party (connected) guarantee matters, the parties to the transaction shall take effective measures including early termination of the guarantee.

**Article 19** Where the Company and its subsidiaries provide counter-guarantees, they shall comply with the relevant provisions applicable to guarantees, and shall perform the corresponding deliberation procedures and information disclosure obligations by reference to the amount of the counter-guarantee provided, except where the Company and its subsidiaries provide counter-guarantees for guarantees securing their own indebtedness.

## CHAPTER 4 REVIEW OF EXTERNAL GUARANTEES

**Article 20** Before deciding to provide a guarantee, the Company shall first ascertain and assess the creditworthiness of the applicant for the guarantee, conduct a thorough analysis of the benefits and risks associated with such guarantee, and disclose such information in detail in the announcement of the Board of Directors. The creditworthiness of the applicant for the guarantee shall include at least the following:

(I) basic corporate information;

(II) recent audited financial report and an analysis of repayment capacity;

(III) the conditions for the counter-guarantee to be provided by the applicant;

(IV) whether it has any non-performing loan records with its principal banks;

(V) copies of key contracts relating to the borrowing;

(VI) the form, term and amount of the guarantee;

(VII) other important information.

**Article 21** The person in charge shall, based on the basic information provided by the applicant for a guarantee, investigate the applicant's financial position, industry prospects, operational status, creditworthiness and reputation; verify the authenticity of such information, submit the same to the Company's finance department for review, and, upon approval by the leader in charge, submit it to the Board of Directors.

**Article 22** The Board of Directors shall carefully review the particulars of the applicant for a guarantee based on the relevant information. No guarantee shall be provided if the applicant falls into any of the following circumstances or where the information provided by such applicant is insufficient:

(I) failure to comply with national laws, regulations or national industrial policies;

(II) provision of false financial statements or other information;

(III) where the Company has previously provided a guarantee for the applicant and defaults, such as overdue bank loans or arrears of interest, have arisen;

(IV) enterprises with deteriorated operational condition and poor credit standing;

(V) enterprises that have incurred losses in the first half of the year or are projected to incur losses in the current year;

(VI) failure to comply with the provisions of Article 10 and Article 11 of this system;

(VII) any other circumstances where the Board of Directors considers it inappropriate to provide a guarantee.

**Article 23** Any counter-guarantee or other effective risk mitigation measures provided by the applicant for a guarantee shall be commensurate with the amount of guarantee provided by the Company. Where the assets designated as counter-guarantee by the applicant for the guarantee are prohibited from circulation or transfer under laws or regulations, the Company shall not provide any guarantee for such applicant.

## CHAPTER 5 ENTERING INTO GUARANTEE CONTRACTS

**Article 24** The guarantee contract shall be signed by the chairman of the Board of Directors or authorised representative of the Company on behalf of the Company and the guaranteed party according to law.

**Article 25** The guarantee contract shall comply with the relevant provisions of the national laws and regulations.

**Article 26** When entering into a standard-form guarantee contract, the Company shall strictly review all mandatory provisions of the guarantee contract in light of the creditworthiness of the guaranteed party. If any mandatory provisions may expose the Company to unforeseeable risks, the Company shall request that such provisions be amended or refuse to provide the guarantee, and shall report the matter to the Board of Directors.

**Article 27** The guarantee contract shall specify at least the following terms:

(I) The type and amount of the creditor's rights guaranteed;

(II) The deadline for the debtor to perform the obligation;

(III) Methods of the guarantee;

(IV) Scope of the guarantee;

(V) Term of the guarantee;

(VI) The rights, obligations, and liability for breach of contract of the parties;

(VII) Other matters that the parties consider necessary to agree upon.

**Article 28** When the Company accepts a counter-guarantee mortgage or counter-guarantee pledge, the finance department of the Company shall promptly complete the relevant legal procedures, such as registration of the mortgage or pledge.

## CHAPTER 6 RISK MANAGEMENT OF EXTERNAL GUARANTEE

**Article 29** The finance department of the Company is the functional management department responsible for guarantee contracts of the Company and is in charge of matters such as the registration and cancellation of guarantees. Upon entering into a guarantee contract, the finance department of the Company shall designate a specific person to be responsible for the safekeeping and management of the guarantee contract, record each transaction individually, and monitor the corresponding validity and duration of the guarantee. The Audit Committee and the the secretary to the Board shall be promptly notified of the guarantee contract. Prior to the maturity of the debt guaranteed by the Company, the person in charge shall actively urge the guaranteed party to fulfill its repayment obligations in accordance with the relevant agreements.

**Article 30** When providing external guarantees, the Company shall take necessary measures to verify the creditworthiness of the guaranteed party. Based on a comprehensive assessment of the asset quality, operating performance, industry outlook, solvency, and credit status of the guaranteed party, the Board of Directors shall prudently evaluate the benefits and risks of the guarantee and decide whether to provide it.

**Article 31** When the Company provides a guarantee for its controlled subsidiaries and investees, the other shareholders of such controlled subsidiaries and investees shall implement risk control measures, such as providing guarantees of equal value in proportion to their capital contributions. If such shareholders fail to implement the aforementioned risk control measures, the Board of Directors of the Company shall disclose the primary reasons and, based on an analysis of the guarantee recipient's business operations and solvency, fully explain whether the risk associated with the guarantee is manageable and whether it harms the interests of the Company.

**Article 32** The Board of Directors shall establish a regular verification system to verify the guarantee behavior of the Company. Where the Company commits any guarantee violation, it shall promptly disclose it, and take reasonable and effective measures to cancel or correct the guarantee violation, reduce the losses of the Company, safeguard the interests of the Company and its minority shareholders, and hold the relevant personnel accountable.

The designated responsible person in the finance department shall properly manage guarantee contracts and related source documents, carry out timely reviews and inspections, and conduct regular reconciliations with banks and other relevant institutions to ensure the completeness, accuracy and effectiveness of archived materials, whilst paying attention to the validity and duration of the guarantees.

During the management of guarantee contracts, should any irregular contract be discovered that has not been approved through the deliberation procedures of the Board of Directors or the general meeting, the designated responsible person shall promptly report to the Board of Directors, the Audit Committee and the stock exchanges of the places where the Company's shares are listed. The designated responsible person shall continuously monitor the situation of the guaranteed party, collect the guaranteed party's most recent financial information and audit reports, regularly analyse its financial position and solvency, and monitor its production and operations, assets and liabilities, external guarantees, as well as matters such as demergers, mergers, and changes in legal representatives. They shall establish relevant financial records and report to the Board of Directors on a regular basis.

The Company shall continuously monitor the financial position and solvency of the guaranteed party. Should it be discovered that the guaranteed party's operating conditions have seriously deteriorated or that major events such as the dissolution or demerger of the company have occurred, the designated responsible person shall promptly report to the Board of Directors, and the Board of Directors shall promptly take effective measures to minimise losses.

Upon the maturity of debts covered by external guarantees, the Company shall urge the guaranteed party to fulfil its debt repayment obligations within a specified timeframe. Should the guaranteed party fail to fulfil its obligations on time, the Company shall promptly take necessary remedial measures, such as initiating procedures to recover under counter-guarantees.

**Article 33** Where the Company is required to honour a guarantee due to the failure of the controlling shareholder, the actual controller or their related parties (connected persons) to repay the debt in a timely manner, the Board of Directors of the Company shall promptly take protective measures such as recourse, litigation, property preservation, and order to provide guarantee to avoid or reduce losses, and shall hold the relevant personnel accountable.

**Article 34** Where the guaranteed party fails to fulfil its obligations and the secured creditor asserts a claim against the Company, the Company shall, depending on the specific circumstances, initiate procedures to recover under counter-guarantees, whilst simultaneously reporting to the secretary to the Board, who shall immediately report to the Board of Directors of the Company and issue a public announcement.

**Article 35** After the People's Court's acceptance of a debtor's bankruptcy case, the designated responsible person shall ask the Company to participate in the distribution of the bankruptcy property and exercise the right of recovery in advance if the creditor fails to declare its rights.

**Article 36** Once the Company has actually assumed the guarantee liability, the designated responsible person shall request the Board of Directors to adopt a series of recovery measures, including the realisation of counter-guarantees.

## CHAPTER 7 INFORMATION DISCLOSURE ON EXTERNAL GUARANTEES

**Article 37** The secretary to the Board of the Company is the responsible person for the information disclosure on the external guarantees of the Company, and is also responsible for the disclosure, confidentiality, preservation, and management of relevant information. The secretary to the Board shall document in detail the discussion and voting at the relevant meetings of the Board of Directors and the shareholders' general meetings.

**Article 38** Relevant personnel must promptly notify the secretary to the Board for the following circumstances:

(I) The Company and its subsidiaries entering into external guarantee contracts;

(II) The guaranteed party facing significant risks during the guarantee period that affect its payment capacity;

(III) The guaranteed party failing to perform repayment obligations upon maturity, or circumstances such as the bankruptcy or liquidation of the guaranteed party, or creditors claiming against the guarantor(s) to perform guarantee obligations.

**Article 39** The external guarantees considered and approved by the Board of Directors or the shareholders' general meeting of the Company must be promptly disclosed in newspapers and periodicals designated by the China Securities Regulatory Commission for information disclosure and in accordance with the provisions of the stock exchanges of the places where the Company's shares are listed. The disclosures shall include the resolutions of the Board of Directors or the shareholders' general meeting, the total amount of external guarantees of the Company and its subsidiaries up to the date of information disclosure, and the total amount of guarantees provided by the Company to its subsidiaries.

**Article 40** The relevant departments of the Company shall take necessary measures to restrict the insiders of guarantee information to a minimum scope before such information is legally and publicly disclosed. Any person who comes into knowledge of the guarantee information of the Company, whether legally or illegally, naturally bears a confidentiality obligation until such information is legally and publicly disclosed, failing which they shall assume sole responsibility for the legal liabilities arising therefrom.

**Article 41** The Company shall make timely disclosure upon the occurrence of any of the following circumstances concerning its external guarantees:

(I) The guaranteed party fails to perform its repayment obligations within fifteen trading days after the maturity of the debts;

(II) The guaranteed party is subject to bankruptcy, liquidation, or other circumstances that severely affect its repayment ability.

## CHAPTER 8 LIABILITIES OF RESPONSIBLE PERSONS

**Article 42** Where any director, the General Manager, or other management personnel of the Company acts arbitrarily and ultra vires to execute a guarantee contract on behalf of the Company without following the procedures stipulated in this system, the Company shall pursue the liability of the relevant parties according to law.

**Article 43** Where a director or senior management violates the provisions of the Articles of Association by agreeing with the provision of guarantee by the Company for others without the consent of the shareholders' general meeting or the Board of Directors, any income derived therefrom shall belong to the Company.

**Article 44** Where relevant responsible persons violate laws and regulations, or the provisions of this system by ignoring risks and arbitrarily providing external guarantees on behalf of the Company, thereby causing losses to the Company, they must bear the liability for compensation according to law.

**Article 45** During the process of external guarantees, if relevant responsible persons are negligent in performing their duties, thereby causing losses to the Company, the Company shall impose financial penalties or administrative disciplinary actions depending on the severity of the circumstances.

**Article 46** Where relevant national laws and regulations stipulate that a guarantor is not liable, any responsible persons who arbitrarily agree, without the consent of the Board of Directors of the Company, that the Company shall assume such liabilities, thereby causing losses to the Company, shall be liable to the Company for compensation according to law and shall be subject to appropriate disciplinary actions by the Company.

**Article 47** During the external guarantee process of the Company, if relevant responsible persons violate the provisions of national criminal laws, they shall bear criminal liability according to law.

## CHAPTER 9 SUPPLEMENTARY PROVISIONS

**Article 48** For the purpose of this system, the term ''or more'' is inclusive; the terms ''exceed'' and ''less than'' are exclusive.

**Article 49** In this System, the meaning of ''related party (connected) transaction'' encompasses both ''related party transaction'' under the ChiNext Listing Rules and ''connected transaction'' under the Hong Kong Listing Rules; the meaning of ''related party (connected person)'' encompasses both ''related party'' under the ChiNext Listing Rules and ''connected person'' under the Hong Kong Listing Rules.

**Article 50** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant national laws, regulations, normative documents and the Articles of Association, as stated in Article 1. In case of any conflicts between the relevant provisions of this system and any subsequently promulgated or amended national laws, regulations or the Articles of Association as amended by lawful procedures, the relevant national laws, regulations and the Articles of Association shall prevail.

**Article 51** If this system needs to be amended due to changes in actual circumstances, such amendments shall be submitted by the Board of Directors to the shareholders' general meeting for consideration.

**Article 52** This system shall be interpreted by the Board of Directors of the Company.

**Article 53** Upon consideration and approval by the shareholders' general meeting of the Company, this system shall become effective as of the date the Company completes its initial public offering of A-shares and is listed on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# MANAGEMENT SYSTEM OF EXTERNAL INVESTMENTS (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to standardise the investment activities of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**"), prevent investment risks and improve investment efficiency, this system is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "**ChiNext Listing Rules**"), the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies — Standardised Operations of ChiNext Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Listing Rules**") and other laws, regulations, rules and normative documents, as well as relevant requirements under the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"), in light of the Company's actual circumstances.

**Article 2** This system shall apply to all investment activities of the Company, including but not limited to:

(I) operating investments, which refer to actions taken by a company, in accordance with relevant national laws and regulations, to invest in other enterprises with the direct purpose of generating long-term returns, whether through joint ventures, cooperation, acquisitions or mergers, using monetary funds or physical or intangible assets such as interests, equity, technologies, claims, plants, equipment and land use rights;

(II) equity investments, including the establishment of new companies, capital and share increase, asset swap, debt-to-equity conversion and other equity investment activities;

(III) investments in real estate;

(IV) other investments.

For the purpose of this system, "investment" does not include the purchase of raw materials, machinery and equipment, the sale of products, commodities and other assets purchase or sale activities related to daily operations.

Companies engaged in securities investments and derivatives trading are subject to relevant regulations governing securities investments, futures and derivatives trading.

**Article 3** Investments of the Company shall comply with the following principles:

(I) comply with the provisions of national laws and regulations;

(II) conform to the development strategies of the Company;

(III) investment should be of moderate scale matching the capacity of the Company which will not prejudice the development of the principal business of the Company;

(IV) prioritise efficiency.

**Article 4** The internal control on significant investment of the Company is conducted under the principles of legality, cautiousness, safety and effectiveness to control investment risks and emphasise investment returns.

**Article 5** The Company shall, to the extent possible, avoid related party (connected) transactions in its investment activities. Where related party (connected) transactions are unavoidable due to business needs, they shall be conducted in accordance with the principle of fairness and in compliance with the relevant provisions of the Company's Management System of Related Party (Connected) Transactions.

**Article 6** Where a matter regarding information disclosure is involved during planning, resolution as well as signing and implementation of agreement of investment matters, such matter shall be performed in accordance with relevant national law and regulations, and the relevant provisions of the Company's Management System of Information Disclosure.

## CHAPTER 2 PROPOSAL AND APPROVAL OF INVESTMENT MATTERS

**Article 7** The Company's investment department is the primary functional department responsible for managing the Company's investment matters. It is responsible for the planning, feasibility analysis, and monitoring of the Company's investment projects, as well as for macro overseeing the implementation of the annual investment plan. It also collects and archives information related to investment matters in accordance with requirements for archive management.

The finance department is the primary financial management department responsible for the Company's investments.

Other functional departments involved in investment operations will assist in handling related matters.

**Article 8** Senior management or the relevant functional departments of the Company shall submit a project proposal to the investment department for potential investment opportunities that are deemed feasible and have been assessed, and the project proposal shall be accompanied by an economic evaluation report.

The investment department shall prepare a project initiation application based on the specific circumstances and submit it to the approval authority specified in the Articles of Association, this system and other relevant policies of the Company. The investment department shall, in conjunction with the relevant functional departments, conduct a feasibility study in accordance with the project feasibility evaluation requirements. Such a study

generally includes the overall information of the proposed investment project, an economic analysis of the investment's feasibility, a risk assessment, and suggestions on the feasibility of project.

For investment projects requiring approval by the Board of Directors of the Company, the Company's investment department shall submit the prepared project initiation application and feasibility study report to the general manager. Senior management shall then discuss and consider these documents in accordance with their working rules before submitting them to the Board of Directors for consideration in the form of a resolution.

**Article 9** When considering major investment matters, directors should carefully analyse the investment prospects and give full consideration to the investment risks and corresponding countermeasures.

**Article 10** The Company shall perform the approval procedures of the Board of Directors and the shareholders' general meeting for matters related to the Company's external investment matters in accordance with the securities regulatory rules of the places where the Company's shares are listed and the relevant provisions of the Articles of Association.

**Article 11** Investment matters that fall within the scope of the criteria for consideration of the Board of Directors and are authorised by the Board of Directors in accordance with laws shall be approved by the general manager of the Company.

**Article 12** Where external investments involve related party (connected) transactions, the consideration and approval procedures and information disclosure obligations shall be performed in accordance with the relevant provisions of the ChiNext Listing Rules, the Hong Kong Listing Rules and the Articles of Association.

**Article 13** When the Company engages in investment activities other than those for which the stock exchanges of the places where the Company's shares are listed has established separate provisions regarding the cumulative principle, such as entrusted wealth management, it shall complete the approval procedures of the Board of Directors and the shareholders' general meeting in respect of the transactions of the same category related to the subject matter of the transaction, in accordance with the principle of cumulative calculation over a consecutive twelve-month period. Transactions for which approval procedures have already been completed in accordance with the above provisions shall no longer be included in the scope of cumulative calculation. Investment matters that have been disclosed by the Company but for which the consideration procedures of the shareholders' general meeting have not been performed shall still be included in the scope of cumulative calculation to determine the consideration procedures that should be performed.

**Article 14** Where the Company engages in entrusted wealth management and, due to factors such as transaction frequency and time constraints, finds it difficult to fulfill the consideration procedures and disclosure obligations for each investment transaction, it may make reasonable estimates regarding the scope, amount and term of the investment, calculate the proportion of the investment amount to net assets, and complete the approval procedures of the Board of Directors and the shareholders' general meeting.

The utilisation period for the relevant amount shall not exceed twelve months, and at any point of time within the period, the transaction amount (including amounts related to reinvestment of the aforementioned investment income) shall not exceed the investment amount.

**Article 15** For transactions that meet the criteria for consideration of the shareholders' general meeting, if the subject of the transaction is the Company's equity, the audited financial accounting report for the most recent fiscal year and interim period of the subject assets shall be disclosed. The audit cut-off date shall be not more than six months prior to the date of the shareholders' general meeting at which the relevant transaction is considered.

If the subject of the transaction is a non-cash asset other than equity, a valuation report on the subject asset issued by a valuation firm must be disclosed. The base date of the appraisal shall not be more than one year from the date of the shareholders' general meeting at which the relevant transaction is to be considered.

The audit report and valuation report referred to in the preceding paragraphs shall be issued by a securities service institution in compliance with the Securities Law.

**Article 16** The controlled subsidiaries of the Company shall comply with the provisions of this system.

**Article 17** All investment matters arising at the controlled subsidiaries of the Company shall first be reported to the Office of the Board regarding the progress of material information matters, in accordance with the provisions of the controlled subsidiaries' articles of association and other regulations such as the Internal Reporting System for Material Matters, and shall simultaneously submit the relevant information to the Office of the Board for filing.

Upon consideration and approval by the competent bodies within the controlled subsidiaries and investees, such investment matters shall also be considered by the Company's competent bodies in accordance with the provisions of the Articles of Association and this system.

## CHAPTER 3 EXECUTION AND IMPLEMENTATION OF INVESTMENT AGREEMENTS

**Article 18** Following the approval by the shareholders' general meeting, the Board of Directors, or the General Manager, the Chairman of the Board, the General Manager, or other authorised representatives of the Company shall handle the investment-related matters on behalf of the Company, including but not limited to the execution of relevant legal documents.

**Article 19** The Chairman of the Board, the General Manager, or other authorised representatives may execute a proposed investment agreement in advance depending on specific circumstances, but such investment shall only become effective and be implemented upon approval by relevant authorities such as the shareholders' general meeting, the Board of Directors, or the Office of General Manager of the Company.

**Article 20** The proposed investment agreement shall be drafted or prepared by the investment department of the Company in collaboration with other functional departments of the Company, or by personnel designated by the Chairman of the Board or the General Manager. Where necessary, major investment agreements shall be reviewed by a law firm engaged by the Company or such law firm shall issue a legal opinion thereof.

**Article 21** No individual may arbitrarily execute a proposed investment agreement on behalf of the Company bypassing the prescribed procedures of the Company.

**Article 22** After the relevant investment agreement has become effective, the project personnel involved in the execution stage shall promptly copy the agreement to the investment department, finance department, the Office of the Board, and other relevant functional departments of the Company, and formulate a written summary report of the relevant circumstances to be handed over concurrently.

**Article 23** The investment department of the Company shall urge the relevant functional departments of the Company to timely implement the contents stipulated in the agreement in accordance with the terms thereof.

**Article 24** Upon the completion of the implementation of the investment project, the investment department of the Company shall urge the relevant functional departments of the Company to report the operational situation of the project to the Office of the Board of the Company within 30 days after project completion.

## CHAPTER 4 SUPERVISION AND MANAGEMENT OF INVESTMENT PROJECTS

**Article 25** Following the implementation of an investment project, the investment department and the relevant functional departments shall promptly follow up, supervise, and manage the project.

**Article 26** During the performance of an investment agreement, the investment department and the relevant functional departments shall assist and communicate with one another and shall not evade responsibilities. Should any department or personnel of the Company discover or become aware of a default or potential default by the counterparty to the investment agreement, they shall promptly communicate with other departments of the Company and report to the Company. The same shall apply upon discovering or becoming aware of a default or potential default by the Company.

**Article 27** The internal audit department of the Company shall conduct tracking inspections of investment projects:

(I) Inspecting whether there is any misappropriation of funds, the progress of the investment projects, as well as the operational performance and management conditions of the investee entities;

(II) Regularly collecting the financial statements of the investee entities and conducting analysis;

(III) Reporting information promptly to the Company and the Board of Directors in the event of material changes to the operating condition of the investee entities.

**Article 28** According to the Company's development strategy and planning, the Company coordinates the operational strategies and risk management strategies of its controlled subsidiaries and urges them to specifically formulate relevant business operation plans and risk management procedures. The controlled subsidiaries shall operate independently under autonomous management within the framework of the Company's overall principles, strategic planning, and operational objectives. They shall operate the assets of the enterprise legal person legally and effectively, while strictly executing the relevant systems formulated by the Company.

**Article 29** The controlled subsidiaries shall fulfil reporting obligations, including but not limited to:

(I) Major matters of the controlled subsidiaries shall be promptly reported to the Company. Such major matters include, but are not limited to, development plans and budgets, major investments, acquisition and disposal of assets, provision of financial assistance, provision of guarantees for others, engagement in securities and financial derivatives investments, and the execution of major contracts.

(II) The Company implements an audit management system for the controlled subsidiaries. The Company may, pursuant to relevant regulations, entrust an accounting firm to audit the financial reports of the controlled subsidiaries.

**Article 30** The relevant functional departments of the Company shall frequently and proactively liaise with the subsidiaries, particularly those in which the Company holds equity interests, to understand their daily operations, financial, and other relevant matters. They shall request or review relevant information based on their understanding of the situation, and promptly report any major developments to the leader in charge of the Company. For potential major risks, they shall propose corresponding handling measures, submit them to the leader in charge of the Company for review, and subsequently present them to the Board of Directors.

**Article 31** Meeting materials such as resolutions and minutes of the meeting of the Office of General Manager and the Board of Directors, and the shareholders' general meeting convened to consider external investment projects shall, together with investment contracts or agreements, project feasibility reports, and other documents, be archived as documents for inspection and preserved for a period of no less than ten years.

## CHAPTER 5 LEGAL LIABILITY

**Article 32** For investment losses incurred by the Company due to a violation of laws and regulations, the Articles of Association, or the provisions of this System, the Board of Directors of the Company shall decide on imposing corresponding disciplinary actions on the relevant responsible personnel based on factors such as the extent of the Company's loss, the scale of the risks, and the severity of the circumstances.

**Article 33** Should any individual arbitrarily execute a proposed investment agreement on behalf of the Company bypassing the Company's prescribed procedures, and if such agreement is implemented prior to the consideration and approval by the shareholders' general meeting, the Board of Directors, or the Office of General Manager of the Company, resulting in actual losses to the Company, the relevant responsible personnel shall bear the liability for compensation.

**Article 34** If the relevant responsible personnel of the Company are negligent in performing their duties, thereby causing losses to the Company, they shall face financial penalties or disciplinary actions based on the severity of the circumstances. Should their actions constitute a crime, criminal liability shall be pursued in accordance with the law.

## CHAPTER 6 SUPPLEMENTARY PROVISIONS

**Article 35** The term "above" referred to in this system shall include the number itself, while the term "exceed" shall exclude the number itself.

**Article 36** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant national laws, regulations, normative documents and the Articles of Association, as stated in Article 1. In case of any conflicts between the relevant provisions of this system and any subsequently promulgated or amended national laws, regulations or the Articles of Association as amended by lawful procedures, the relevant national laws, regulations and the Articles of Association shall prevail.

**Article 37** If this system needs to be amended due to changes in actual circumstances, such amendments shall be submitted by the Board of Directors to the shareholders' general meeting for consideration.

**Article 38** This system shall be interpreted by the Board of Directors of the Company.

**Article 39** Upon consideration and approval by the shareholders' general meeting of the Company, this system shall become effective as of the date the Company completes its initial public offering of A-shares and is listed on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

## MANAGEMENT SYSTEM OF PROCEEDS
## (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to standardise the management and utilisation of the Company's proceeds, effectively protect the rights and interests of investors, prevent risks associated with the use of funds and ensure the safe utilisation of funds, this system is formulated in accordance with applicable laws and regulations including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Regulatory Rules for Raised Funds of Listed Companies, the Rules Governing the Listing of Securities on the ChiNext Market of Shenzhen Stock Exchange (hereinafter referred to as the "**ChiNext Listing Rules**"), the Shenzhen Stock Exchange Self-Regulatory Guidance No. 2 for Listed Companies – Standardised Operations of ChiNext Listed Companies, and applicable provisions including the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"), in light of the Company's actual circumstances.

**Article 2** For the purposes of this system, "proceeds" refers to funds raised by the Company from investors through the issuance of shares or other securities of an equity nature (including initial public offerings, rights issues, additional share issuances, issuance of convertible corporate bonds and depositary receipts and private placements) and to be utilised for designated purposes, but excludes funds raised in connection with the Company's equity incentive schemes. For the purposes of this system, "excess proceeds" refers to the portion by which the actual net proceeds exceed the planned fundraising amount.

**Article 3** This system applies to the management of the Company's proceeds from both public offerings and private placements in the PRC. The management of the Company's proceeds raised in the H-share market shall be governed by the relevant provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**Article 4** Where a proceeds-funded investment project (hereinafter referred to as the "**proceeds-funded project**") is implemented through the Company's subsidiary or other enterprise under the Company's control, the relevant subsidiary or other enterprise under the Company's control shall comply with the provisions of this system.

**Article 5** The Board of Directors of the Company shall conduct a thorough assessment of the feasibility of its proceeds-funded investment projects, ensure that such projects have sound market prospects and profitability, effectively mitigate investment risks, and improve the utilisation efficiency of proceeds.

**Article 6** The directors, supervisors and senior management of the Company shall act with due diligence, supervise the Company in the proper use of proceeds, and conscientiously safeguard the security of proceeds. They shall not participate in, assist or condone any unauthorised or disguised change in the use of proceeds by the Company.

## CHAPTER 2 DEPOSIT OF PROCEEDS IN SPECIAL ACCOUNTS

**Article 7** The Company shall deposit proceeds in a special account established with the approval of the Board of Directors for centralised management and utilisation, and shall enter into a tripartite supervision agreement with the sponsor and the depositary commercial bank within one month after proceeds are fully received. The Company may utilise proceeds only after the relevant agreements have been signed. No funds other than proceeds may be deposited in the special proceeds account, nor shall such account be used for any other purposes. Where the Company completes two or more financing activities, separate special proceeds accounts shall be established for each financing.

**Article 8** The tripartite agreement shall set out the following:

(I) The Company shall deposit its proceeds centrally in a special account;

(II) The account number of the special proceeds account, the proceeds-funded investment project relating to such account, and the amount deposited;

(III) If the amount withdrawn by the Company from the special account in a single transaction or cumulatively within a twelve-month period exceeds RMB50 million or 20% of the net proceeds, the Company and the commercial bank shall promptly notify the sponsor or the independent financial adviser;

(IV) The commercial bank shall issue a bank statement to the Company on a monthly basis and send copies thereof to the sponsor or the independent financial adviser;

(V) The sponsor or the independent financial adviser may, at any time, visit the commercial bank to inspect the records relating to the special account;

(VI) The supervisory duties of the sponsor or the independent financial adviser, the commercial bank's duties to notify and cooperate, and the methods by which the sponsor or the independent financial adviser and the commercial bank shall oversee the Company's use of proceeds;

(VII) The rights, obligations and liabilities for breach of contract of the Company, the commercial bank, the sponsor or the independent financial adviser;

(VIII) If the commercial bank fails on three occasions to issue bank statements to the sponsor or the independent financial adviser in a timely manner, or fails to notify such party of any material withdrawals from the special account, or refuses to cooperate with the sponsor or the independent financial adviser in their enquiries and investigations regarding the special account records, the Company may terminate the agreement and close the special proceeds account.

The Company shall promptly announce the principal terms of the tripartite agreement following its execution.

Where the Company implements a proceeds-funded investment project through a controlled subsidiary, a tripartite agreement shall be signed jointly by the Company, the controlled subsidiary implementing such proceeds-funded investment project, the commercial bank and the sponsor or the independent financial adviser, with the Company and its controlled subsidiary deemed to be one party.

Where the tripartite agreement is terminated prior to the expiry of its term, the Company shall, within one month from the date of termination, enter into a new agreement with the relevant parties and make a timely announcement.

**Article 9** Where proceeds are invested in an overseas project, in addition to complying with the provisions of Article 7 of this system, the Company and the sponsor shall also take effective measures to ensure the security and proper use of proceeds invested in such overseas project, and shall disclose the relevant specific measures and actual effects in the Special Report on the Deposit, Management and Actual Utilisation of the Company's Proceeds.

## CHAPTER 3 UTILISATION AND CHANGE IN THE USE OF PROCEEDS

**Article 10** The Company shall utilise proceeds in accordance with the purposes set out in the securities offering documents, and shall not arbitrarily alter the investment direction of proceeds, nor effect any disguised change in the use of proceeds.

Any of the following circumstances shall constitute a change in the use of proceeds. In such cases, the Board of Directors shall pass a resolution in accordance with the law, the sponsor shall express a clear opinion, and the matter shall be submitted to the shareholders' general meeting for consideration; the Company shall promptly disclose the relevant information:

(I) Cancelling or terminating the original proceeds-funded investment project and implementing a new project or permanently replenishing working capital;

(II) Changing the entity responsible for implementing the proceeds-funded investment project;

(III) Altering the method of implementation of a proceeds-funded investment project;

(IV) Other circumstances as determined by the China Securities Regulatory Commission.

In the event that the Company falls within the circumstances specified in sub-paragraph (I) of the preceding paragraph, the sponsor shall, with reference to the previously disclosed documents relating to proceeds, specifically explain the main reasons for the changes to the proceeds-funded investment project and the reasonableness of the sponsor's previous opinions.

Where the entity responsible for implementing the proceeds-funded investment project is changed between the Company and its wholly-owned subsidiaries, or where the change involves only the implementation location of the proceeds-funded project, such change shall not be deemed a change in the use of proceeds. Such change shall be approved by a resolution of the Board of Directors, without requiring the deliberation procedure of the shareholders' general meeting; the sponsor shall express a clear opinion; and the Company shall promptly disclose the relevant information.

Where the Company utilises proceeds in accordance with Article 16, Article 18 and Article 20(3) of this system, and exceeds the limits, timeframes or other matters determined through the deliberation process of the Board of Directors, such conduct shall, in serious cases, be deemed an unauthorised change in the use of proceeds.

The modified proceeds-funded project shall be invested in the Company's principal business. The Company shall conduct a scientific and prudent feasibility analysis of the new proceeds-funded project, satisfy itself that such investment project has sound market prospects and profitability, effectively mitigate investment risks, and improve the utilisation efficiency of proceeds.

**Article 11** In principle, proceeds shall be used for the Company's principal business. The Company shall not engage in the following activities when utilising proceeds:

(I) Using proceeds for financial investments such as entrusted wealth management (excluding cash management) and entrusted loans; high-risk investments such as securities investments and derivatives investments; or direct or indirect investments in companies principally engaged in the trading of securities;

(II) Effecting a disguised change in the use of proceeds by way of pledging, entrusted loans or other means;

(III) Providing proceeds, directly or indirectly, to controlling shareholders or other related parties (connected persons) for their use, or facilitating the acquisition of improper benefits by related parties (connected persons) through a proceeds-funded project;

(IV) Any other acts that contravene laws and regulations, the Articles of Association, or the provisions of this system in respect of proceeds management.

**Article 12** The use of the Company's proceeds shall complete approval procedures in strict accordance with the Articles of Association, this system and the applicable financial management rules of the Company.

**Article 13** Where any of the following circumstances arise in relation to a proceeds-funded investment project, the Company shall convene a meeting of the Board of Directors to re-evaluate, among others, the feasibility and expected returns of the project, and decide whether to proceed with the project:

(I) Significant changes in the market environment affecting the proceeds-funded investment project;

(II) The proceeds-funded investment project has been shelved for more than one year;

(III) The deadline of the most recent proceeds investment plan for the project has expired, and the amount of proceeds invested has not reached 50% of the relevant planned amount;

(IV) Other abnormal circumstances arise in respect of the proceeds-funded investment project.

Where the circumstances specified in the preceding paragraph arise, the Company shall make timely disclosure. The Company shall disclose, in its most recent periodic report, the progress of the project, the reasons for such abnormal circumstances and the details of the re-evaluation performed during the reporting period; where adjustment to the proceeds investment plan is required, the Company shall concurrently disclose the adjusted proceeds investment plan.

**Article 14** Where a proceeds-funded investment project is not expected to be completed within the original time limit and the Company intends to extend the implementation period, the matter shall be promptly considered and approved by the Board of Directors, and the sponsor or the independent financial adviser shall express a clear opinion. The Company shall promptly disclose the specific reasons for the failure to complete the project on schedule, and explain the current deposit and book status of proceeds, whether there are any circumstances affecting the normal progress of the proceeds utilisation plan, the expected completion date and phased investment plan, as well as measures to ensure completion on schedule following the extension.

**Article 15** Where a listed company uses proceeds for the following purposes, such use shall be subject to approval by the Board of Directors, and the sponsor or the independent financial adviser shall express a clear opinion:

(I) Using proceeds to replace its own funds previously invested in a proceeds-funded investment project;

(II) Using temporarily idle proceeds for cash management;

(III) Using temporarily idle proceeds to temporarily replenish working capital;

(IV) Changing the intended use of proceeds;

(V) Changing the implementation location of the proceeds-funded investment project;

(VI) Utilising surplus proceeds;

(VII) Adjusting the planned schedule of the proceeds-funded investment project;

(VIII) Utilising excess proceeds.

Any change in the use of proceeds or utilisation of excess or surplus proceeds by the Company is also subject to approval by the shareholders' general meeting if the prescribed consideration criteria are satisfied.

**Article 16** The idle proceeds of the Company may be temporarily utilised to replenish its working capital. The temporary replenishment of working capital shall be implemented through a special proceeds account, restricted exclusively to production and operation related to its principal business, and shall not be used, through direct or indirect arrangements, for the placement or subscription of new shares, or for trading in stocks and their derivatives, and convertible corporate bonds, etc. Where the Company temporarily utilises the idle proceeds to replenish its working capital, relevant matters such as limit and duration shall be reviewed and approved by the Board of Directors, the sponsor shall issue clear opinions, and the listed company shall promptly disclose the relevant information, subject to the fulfillment of the following conditions:

(I) Such utilisation shall not effect a disguised change in the use of proceeds or affect the normal progression of the proceeds-funded investment projects;

(II) The proceeds previously utilised for temporary replenishment of working capital have been returned (if applicable);

(III) The period for a single temporary replenishment of working capital shall not exceed twelve months;

(IV) The idle proceeds shall not be used, through direct or indirect arrangements, for the placement or subscription of new shares, or for trading in stocks and their derivatives, and convertible corporate bonds, etc.

**Article 17** Prior to the maturity date of the replenishment of working capital, the Company shall return such portion of funds to the special proceeds account and publish an announcement within two trading days after the complete return of the funds. Where the Company expects that it may not be able to return such portion of funds to the special proceeds account on schedule, it shall execute the review procedures pursuant to the preceding paragraph prior to the maturity date and promptly publish an announcement. The announcement shall include the details such as the allocation of the funds, the reason for the inability to return the funds, the reason for continuing to utilise the funds to replenish working capital and the duration.

**Article 18** The Company may conduct cash management of temporarily idle proceeds. The cash management products shall satisfy the following conditions:

(I) Principal-guaranteed products with high security such as structured deposits and large-denomination certificates of deposit;

(II) High liquidity, with a product term not exceeding twelve months.

Cash management products shall not be pledged. Cash management shall be implemented through a special proceeds account or a publicly disclosed product-specific settlement account. The product-specific settlement accounts, if applicable, shall not accommodate non-proceeds or be used for other purposes. The implementation of cash management shall not affect the normal progression of the proceeds-funded investment projects.

Where the Company utilises temporarily idle proceeds for cash management, it shall be reviewed and approved by the Board of Directors, the sponsor shall issue clear opinions, and the Company shall make disclosures in a timely manner.

**Article 19** Where the Company utilises temporarily idle proceeds for cash management and detects significant risk scenarios, such as deterioration of the financial standing of the investment product issuer or the invested products being exposed to losses, it shall promptly issue a risk warning announcement to the public and explain the risk control measures taken by the Company to ensure fund safety.

**Article 20** The Company shall properly formulate the utilisation plan for excess proceeds (referring to the portion of actual net proceeds exceeding the planned amount of proceeds, hereinafter the same) based on the Company's development plan and actual production and operation needs. The excess proceeds shall be used for ongoing projects and new projects, and the repurchase of the Company's shares for cancellation in accordance with the law. The Company shall confirm the specific utilisation plan for the excess proceeds no later than the overall completion of the same batch of proceeds-funded projects, and put them into use as planned.

Where the Company utilises the excess proceeds to invest in ongoing projects and new projects, it shall fully disclose information such as the construction plans, the necessity and reasonableness of the investment, the investment cycle and the rate of return of the relevant projects. Where the project involves related party (connected) transactions, asset acquisitions, external investment, etc., review procedures and information disclosure obligations shall be performed in accordance with Chapter 7 of the ChiNext Listing Rules and other regulations.

Where it is really necessary to utilise temporarily idle excess proceeds for cash management or temporary replenishment of working capital, the necessity and reasonableness shall be explained. Where the Company utilises temporarily idle excess proceeds for cash management or temporary replenishment of working capital, matters such as limit and duration shall be reviewed and approved by the Board of Directors, the sponsor shall issue clear opinions, and the Company shall disclose relevant information in a timely manner.

The Company shall state the utilisation of excess proceeds and the utilisation plan for forthcoming year in the annual special report on the deposit, management and use of proceeds.

**Article 21** Where the Company uses the surplus proceeds (including interest income) for other purposes upon the completion of a single or all proceeds-funded project(s), and the amount used is less than RMB5,000,000 and accounts for less than 5% of the net proceeds from that project, the procedures stipulated in Article 15 of this system may be exempted, but the use of the proceeds shall be disclosed in the annual report.

If the amount of surplus proceeds (including interest income) used reaches or exceeds 10% of the net proceeds from that project and is higher than RMB10,000,000, it shall be considered and approved by the shareholders' general meeting.

**Article 22** Where the listed company makes investment in the proceeds-funded investment projects with its self-raised funds in advance and uses the proceeds to replace the self-raised funds upon the receipt of proceeds, the replacement shall be implemented within six months after the proceeds have been transferred to the special account.

During the implementation of the proceeds-funded investment projects, the proceeds shall, in principle, be used for direct payment. Where it is indeed difficult to make direct payment by using the proceeds in matters such as paying staff salaries and purchasing overseas products and equipment, the replacement may be implemented within six months after payment has been made using the self-raised funds.

The replacement of proceeds shall be considered and approved by the Board of Directors of the listed company, the sponsor shall issue clear opinions, and the listed company shall disclose the relevant information in a timely manner.

## CHAPTER 4 MANAGEMENT AND SUPERVISION OF PROCEEDS

**Article 23** The finance department is responsible for establishing a ledger for the use of proceeds and registering the use of proceeds and the deposit of unutilised proceeds by the Company. The finance department shall submit a report on the use of proceeds to the Office of the Board and the secretary to the Board every month, explaining the changes in funds, the progress of use as well as the amount and application of each expenditure in the account.

The internal audit department shall inspect the deposit and use of proceeds on a quarterly basis and report the inspection results to the Audit Committee of the Company in a timely manner.

**Article 24** The Board of Directors shall conduct a comprehensive review of the progress of the proceeds-funded investment projects on a semi-annual basis, issue half-year and annual special reports on the deposit, management and use of proceeds, and disclose the same with the periodic reports until the proceeds have been fully utilised and there is no further use of proceeds during the reporting period. The relevant special report shall include the basic information of the proceeds and the deposit, management and use of proceeds as stipulated in this system. Should there be any discrepancies between the actual investment progress of the proceeds-funded investment project and the investment plan, the Company shall explain the specific reasons.

**Article 25** The sponsor or independent financial adviser shall, in accordance with the provisions of the Administrative Measures for the Sponsorship of the Issuance and Listing of Securities, maintain continuous supervision over the deposit, management and use of proceeds by the Company. If the sponsor or independent financial adviser discovers any irregularities during the continuous supervision, it shall promptly conduct an on-site inspection and report to the regional offices of the CSRC and the stock exchange(s) in a timely manner. The sponsor or independent financial adviser shall conduct on-site inspection of the deposit, management and use of proceeds by the listed company at least once every six months.

After the end of each accounting year, the sponsor shall issue and disclose an annual special inspection report on the deposit, management and use of proceeds by the listed company.

When conducting the annual audits, the accounting firms shall issue an assurance report on the deposit, management and use of proceeds by the listed company.

The Company shall cooperate with the sponsor for its continuous supervision, on-site inspection, and with the accounting firm for its audit work, and shall timely provide or apply to the bank for necessary information related to the deposit, management and use of the proceeds.

## CHAPTER 5 SUPPLEMENTARY PROVISIONS

**Article 26** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant laws, regulations and the like, and the Articles of Association. In case of any conflicts with any subsequently promulgated laws, regulations or the Articles of Association as amended by lawful procedures, the relevant provisions of such laws, regulations and the Articles of Association shall prevail.

**Article 27** In the event of any conflicts between this system and the relevant laws, regulations and the Articles of Association or issues not covered in this system, the relevant laws, regulations or the Articles of Association shall prevail.

**Article 28** The terms ''above'' and ''within'' referred to in this system shall include the number itself, while the terms ''over'', ''below'' and ''exceed'' shall exclude the number itself.

**Article 29** This system shall be formulated, amended and interpreted by the Board of Directors of the Company, and shall take effect upon consideration and approval by the shareholders' general meeting from the date on which the Company completes the initial public offering and listing of A shares on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# MANAGEMENT SYSTEM ON THE REMUNERATION AND PERFORMANCE EVALUATION OF DIRECTORS AND SENIOR MANAGEMENT
# (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** To standardise the remuneration management of directors and senior management of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Company**"), establish a sound incentive and restraint mechanism for operators, build a value orientation that links individual remuneration to corporate performance, and enhance the Company's operational efficiency and management standards, and in light of the Company's actual circumstances, this system is formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "**Company Law**"), the Code of Corporate Governance for Listed Companies and other relevant laws, regulations, normative documents, and the provisions of the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**").

**Article 2** This system shall apply to the directors of the Company and the senior management as stipulated in the Articles of Association.

**Article 3** The remuneration of the directors and senior management of the Company shall be determined upon comprehensive evaluation based on external remuneration survey levels, the scale of operations and operating performance of the Company, and taking into account the Company's business plans, duties of their respective positions, position value, and capabilities of the individuals holding those positions.

**Article 4** Principles governing the remuneration and performance evaluation of the directors and senior management of the Company:

(I) Adhering to the principles of openness, fairness and transparency;

(II) Adhering to the principle of work-based distribution, integrating responsibilities, authority and interests;

(III) Adhering to the principle of performance priority, reflecting the philosophy of profit-sharing and risk-sharing of the Company;

(IV) Adhering to the principle of being aligned with market developments, matched against corporate and individual performance, and consistent with the sustainable development of the Company;

(V) Adhering to the principle of balanced incentives and restraints.

## CHAPTER 2 REMUNERATION MANAGEMENT BODY AND DECISION-MAKING PROCEDURES

**Article 5** The Remuneration Committee of the Board of Directors of the Company is responsible for formulating performance evaluation criteria for directors and senior management and conducting performance evaluations thereon; formulating and reviewing remuneration policies and plans for directors and senior management; and making recommendations to the Board of Directors on the following matters:

(I) remuneration of directors and senior management;

(II) establishment or amendment of equity incentive schemes and employee stock ownership schemes, and satisfaction of conditions for grant and exercise of rights by participants;

(III) arrangement of shareholding schemes for directors and senior management in proposed spin-off subsidiaries;

(IV) other matters prescribed by laws and regulations and the Articles of Association.

Where the Board of Directors fails to adopt or fully adopt the recommendations of the Remuneration Committee, it shall record the opinions of the Remuneration Committee and the specific reasons for non-adoption in the Board resolution and make disclosures.

**Article 6** Remuneration plans for the directors and senior management of the Company shall be formulated by the Remuneration Committee of the Board of Directors, specifying the basis for remuneration determination and their specific components. Remuneration plans for directors shall be decided by the shareholders' general meeting and disclosed. Remuneration plans for senior management shall be approved by the Board of Directors, reported to the shareholders' general meeting and fully disclosed. Where the Board of Directors or the Remuneration Committee evaluates an individual director or deliberates on his/her remuneration, such director shall recuse himself or herself from such evaluation and deliberation.

**Article 7** The human resources department, finance department and other relevant departments of the Company shall assist the Remuneration Committee of the Board of Directors in the specific implementation of remuneration plans for directors and senior management.

## CHAPTER 3 REMUNERATION STRUCTURE AND PERFORMANCE EVALUATION

**Article 8** The remuneration of the directors and senior management of the Company shall be determined in accordance with the following standards:

(I) The remuneration of the independent directors (independent non-executive directors) of the Company shall be based on an annual allowance system.

(II) The remuneration of the chairman, non-independent directors and senior management holding substantive positions within the Company (hereinafter collectively referred to as "**directors and senior management receiving remuneration from the Company**") shall be determined in accordance with the following standards:

Directors and senior management receiving remuneration from the Company are subject to an annual remuneration system, with remuneration levels linked to their responsibilities, risks and the operating performance of the Company. Annual remuneration primarily consists of basic (fixed) remuneration, performance-based (variable) remuneration, and medium-to-long-term incentive income. In principle, the proportion of performance-based (variable) remuneration shall be no less than fifty percent of the total amount of basic (fixed) remuneration and performance-based (variable) remuneration.

1. Basic (fixed) remuneration: Determined by reference to job level, position value and other factors.

2. Performance-based (variable) remuneration: Determined based on the results of comprehensive performance evaluation, including the fulfilment of position-specific target responsibility agreements and the achievement of the Company's overall performance targets. The determination and payment of performance-based (variable) remuneration shall be based primarily on performance evaluation. A certain proportion of such remuneration shall be paid following the disclosure of the annual report and completion of the annual performance evaluation. Annual performance evaluation shall be conducted based on audited financial data.

3. Medium-to-long-term incentive income: The determination and payment of medium-to-long-term incentive income shall be based primarily on performance evaluation. The Company shall formulate an incentive scheme according to actual business needs, and such income shall be determined in accordance with the relevant incentive scheme.

(III) Non-independent directors who do not hold substantive positions at the Company shall not receive any remuneration or allowances from the Company.

(IV) The Company shall bear all reasonable expenses, such as communications, transportation and accommodation, incurred by its directors and senior management in the performance of their duties (e.g., attending meetings of the Board of Directors and shareholders' general meetings) pursuant to the relevant provisions of the Company Law and the Articles of Association.

**Article 9** Prior to the commencement of each fiscal year, the Remuneration Committee of the Board of Directors of the Company shall, in conjunction with relevant functional departments, formulate target responsibility agreements based on the Company's overall performance targets and the work under the charge of directors and senior management receiving remuneration from the Company. Such target responsibility agreements shall specify the weighting of each component set out in the work plans and targets of such directors and senior management. Where material changes to external conditions including the business environment arise during the fiscal year, the Remuneration Committee of the Board of Directors of the Company may adjust the work plans and objectives of such directors and senior management.

**Article 10** During each fiscal year, depending on the job level and responsibilities of the directors and senior management receiving remuneration from the Company, the Remuneration Committee of the Board of Directors of the Company shall conduct monthly performance evaluations for certain of such directors and senior management; and after the end of each fiscal year, the Remuneration Committee of the Board of Directors of the Company shall conduct an annual performance evaluation for all of such directors and senior management.

## CHAPTER 4 PAYMENT OF REMUNERATION, CESSATION OF PAYMENT AND CLAWBACK MECHANISM

**Article 11** The basic (fixed) remuneration of directors and senior management receiving remuneration from the Company shall be paid on a monthly basis, and their performance-based (variable) remuneration shall be paid based on the results of the monthly performance evaluation and annual performance evaluation. All remuneration is quoted as a pre-tax amount. The Company shall, in accordance with the relevant requirements of the State and the Company, deduct the following items from the remuneration and pay the remaining amount to the individual. Items to be withheld and paid by the Company shall include, but are not limited to, the following:

(I) individual income tax to be withheld and paid;

(II) the portion of various social insurance premiums to be borne by the individual;

(III) the portion of other payments to be borne by the individual in accordance with the requirements of the State or the Company.

**Article 12** The allowances of independent directors (independent non-executive directors) shall be paid by the Company on a monthly basis after withholding and payment of the individual income tax on their behalf.

**Article 13** Where the directors and senior management of the Company leave office/ cease employment due to reasons such as expiration of term, re-election or resignation during the term of office, their remuneration/allowance shall be calculated and paid according to their actual period of office.

**Article 14** When the Company makes a retrospective restatement of its financial reports due to misstatements such as financial fraud, the Company shall re-evaluate the performance-based (variable) remuneration and the medium-to-long term incentive income of the directors and senior management on a timely basis and claw back any excess payments made accordingly.

Where a director or senior management of the Company violates his/her duty of loyalty or duty of diligence and causes losses to the Company, or is at fault for violating the laws and regulations such as financial fraud, appropriation of funds or provision of guarantees in violation of the relevant regulations, the Company shall, depending on the severity of the case, reduce or cease the payment of any unpaid performance-based (variable) remuneration and medium-to-long term incentive income, and claw back, in whole or in part, the performance-based (variable) remuneration and medium-to-long term incentive income already paid during the period in which the relevant conduct occurred.

**Article 15** Where any of the following circumstances occurs during the term of a director or senior management of the Company, the Company shall have the right to cancel the payment of his/her performance-based (variable) remuneration or allowance and claw back, in whole or in part, the performance-based (variable) remuneration or allowance already paid during the period in which the relevant circumstances occurred:

(I) any person who shall not serve as a director or senior management of the Company pursuant to Article 178 of the Company Law;

(II) any person who is subject to a securities market access ban imposed by the China Securities Regulatory Commission, prohibiting him/her from serving as a director or senior management of a listed company;

(III) any person who is being publicly censured or declared by a stock exchange as an unsuitable candidate;

(IV) any person who has committed serious dereliction of duty or abused his/her power;

(V) any person who has seriously harmed the interests of the Company or caused material economic losses to the Company;

(VI) other circumstances determined by the Board of Directors of the Company as serious violations of the relevant requirements of the Company.

## CHAPTER 5 REMUNERATION ADJUSTMENT

**Article 16** The remuneration system shall serve the operational strategies of the Company and shall be adjusted according to the ever-changing operating conditions of the Company to cope with the needs of the Company's further development.

**Article 17** The remuneration of directors or senior management of the Company shall, in principle, be adjusted once a year. The basis for remuneration adjustment shall include, but is not limited to, the level of remuneration increase in the same industry, the remuneration level of the regions where the Company operates, the inflation level, the operation results of the Company, and the development strategies or organisational restructuring of the Company.

## CHAPTER 6 SUPPLEMENTARY PROVISIONS

**Article 18** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant national laws, regulations, normative documents and the Articles of Association, as stated in Article 1. In case of any conflicts between the relevant provisions of this system and any subsequently promulgated or amended national laws, regulations or the Articles of Association as amended by lawful procedures, the relevant national laws, regulations and the Articles of Association shall prevail.

**Article 19** Where amendments to this system are required for changes in actual circumstances, such amendments shall be submitted by the Board of Directors to the shareholders' general meeting for consideration.

**Article 20** This system shall be interpreted by the Board of Directors of the Company.

**Article 21** This system shall, upon consideration and approval by the shareholders' general meeting, take effect from the date on which the Company completes the initial public offering and listing of A shares on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*
# 上海瑛泰醫療器械股份有限公司

# RULES FOR THE SELECTION AND APPOINTMENT OF ACCOUNTING FIRM
# (Draft)

**(Applicable following the issuance and listing of A Shares)**

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** In order to regulate the selection and appointment (hereinafter inclusive of reappointment and change of appointment) of the accounting firm by Shanghai INT Medical Instruments Co., Ltd.* (上海瑛泰醫療器械股份有限公司) (hereinafter referred to as the "**Company**"), enhance the quality of financial information, practically protect the interests of shareholders, this system is formulated in accordance with applicable laws and regulations including the Company Law of the People's Republic of China, 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 ChiNext Market of Shenzhen Stock Exchange, the Administrative Measures on the Selection and Appointment of Accounting Firms by State-owned Enterprises and Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and applicable provisions including the Articles of Association of Shanghai INT Medical Instruments Co., Ltd.* (hereinafter referred to as the "**Articles of Association**"), in light of the Company's actual circumstances.

**Article 2** The selection and appointment of the accounting firm by the Company for audit of its accounting statements shall comply with this system, follow the selection and engagement procedures and disclose the relevant information. For the selection and appointment of the accounting firm to conduct other special audit engagements, the Company may, depending on the materiality, refer to and apply this system accordingly.

**Article 3** The selection and appointment of the accounting firm by the Company shall be subject to review by the Audit Committee of the Board (hereinafter referred to as the "**Audit Committee**") and reported to the Board and the shareholders' general meeting for consideration and approval. The Company shall not appoint any accounting firm to conduct audit activities prior to the consideration and approval by the Board and the shareholders' general meeting.

**Article 4** Shareholders holding more than 5% of the Company's shares, controlling shareholders and actual controllers shall not designate any accounting firm of the Company prior to the consideration and approval by the Board and the shareholders' general meeting of the Company, and shall not interfere with the Audit Committee from performing its audit duties independently.

## CHAPTER 2 PRACTICE QUALITY REQUIREMENTS OF ACCOUNTING FIRM

**Article 5** The accounting firm selected and appointed by the Company shall have the following qualifications:

(I) having the independent qualification as a legal person and professional qualifications necessary for carrying out securities and futures related businesses as prescribed by the national industry regulatory authorities and the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**");

(II) having the fixed offices, sound organisational structure and comprehensive internal management and control systems;

(III) be familiar with the State's laws, regulations, rules and policies on financial accounting;

(IV) having certified public accountants to complete audit assignments and ensure audit quality;

(V) fully complying with requirements on financial audit under laws, regulations, rules and policies, having good social reputation and practice quality record;

(VI) other conditions as required by the CSRC.

## CHAPTER 3 PROCEDURES FOR THE SELECTION AND APPOINTMENT OF ACCOUNTING FIRM

**Article 6** The following entities or individuals may propose proposals to the Board of the Company for appointing the accounting firm:

(I) the Audit Committee of the Board;

(II) independent directors or one-third or more of the directors;

**Article 7** With respect to selection and appointment of accounting firms, the Company shall adopt competitive negotiation, open bidding, invited bidding and other means that the competence of such accounting firm may be known well so as to ensure that the selection and appointment process is carried out fairly and impartially.

(I) competitive negotiation: means inviting two (inclusive) or more accounting firms to negotiate on the service content and service conditions and to submit competitive quotations, based on which the Company determines the optimal accounting firm that meets the requirements of the service project;

(II) open bidding: means inviting accounting firms that meet the specified qualification requirements to participate in an open competitive selection by way of public tender;

(III) invited bidding: means inviting two (inclusive) or more accounting firms that meet the specified qualification requirements to participate in the competitive selection;

(IV) direct appointment: means inviting an accounting firm that meets the specified qualification requirements to participate in the selection.

Where such public selection ways as competitive negotiation, open bidding and invited bidding are adopted, the Company shall release related selection and appointment documents via official website and other public channels, and such documents shall contain basic information on the selection and appointment, evaluation factors and scoring criteria. The Company, in accordance with the laws, shall determine the response time for accounting firms to submit the application documents after the release of such selection and appointment documents to ensure that the accounting firm has sufficient time to obtain the selection and appointment information and prepare the application documents. The Company shall not restrict or exclude potential accounting firms by imposing unreasonable conditions, and shall not customise the selection and appointment criteria for any individual accounting firms. The results of the selection and appointment shall be announced in a timely manner, and the announcement shall include the proposed accounting firm and the audit fees.

In order to maintain the continuity of audit work, the reappointment of the accounting firm that meets the selection and appointment requirements may be conducted without using an open tender measure.

**Article 8** The Audit Committee of the Company is responsible for selecting and appointing accounting firms and supervising the implementation of their audit work. The Audit Committee shall effectively perform the following duties:

(I) formulating policies, procedures and relevant internal control systems regarding the selection and appointment of accounting firms in accordance with the authorisation of the Board;

(II) proposing to initiate the relevant work for the selection and appointment of accounting firms;

(III) considering the selection and appointment documents, determining evaluation factors and specific scoring standards, and supervising the process of the selection and appointment;

(IV) recommending proposed accounting firms and audit fees, and submitting the same to the decision-making body for consideration;

(V) supervising and evaluating the audit work conducted by accounting firms;

(VI) submitting on a regular basis (at least once a year) to the Board a report on the assessment of the performance of the engaged accounting firm and a report on the performance of the supervision duties by the Audit Committee;

(VII) handling other matters in relation to the selection and appointment of accounting firms in accordance with laws, regulations, the Articles of Association and the authorisation of the Board.

**Article 9** Procedures for the selection and appointment of accounting firms by the Company:

(I) the Audit Committee shall propose the qualification conditions and requirements for the selection and appointment of accounting firms, and shall notify the relevant departments of the Company to carry out preliminary preparation, investigation and data collection;

(II) the accounting firms that participate in the selection and appointment shall submit relevant information to the Audit Committee for preliminary review and organisation within the prescribed time;

(III) the Audit Committee shall review the qualification of the participating accounting firms; the Audit Committee shall investigate into the practice quality and integrity of the relevant accounting firms by reviewing the practice quality information of the relevant accounting firms, inspecting public information or making enquiries with the securities regulatory, finance and audit departments as well as the Chinese Institute of Certified Public Accountants, and when necessary, requesting the proposed accounting firms to make representations on-site;

(IV) the engagement of the relevant accounting firm by the Company shall be submitted to the Board for consideration after the approval of the Audit Committee by more than half of its members; where the Audit Committee is of the opinion that the accounting firm does not satisfy the Company's requirements for appointment, reasons shall be given. The review opinions of the Audit Committee, together with the resolutions of the Board, shall be filed and retained;

(V) the Board shall review the resolution of selection and appointment of the accounting firm reviewed and agreed by the Audit Committee. Such resolution so reviewed and passed by the Board shall be submitted to the shareholders' general meeting for review;

(VI) in accordance with the resolutions of the shareholders' general meeting, the Company and the accounting firm shall enter into the relevant engagement agreement. The relevant accounting firm shall be engaged to perform the relevant audit services for a term of one year, which may be renewed.

**Article 10** The Company shall refine the evaluation criteria for selection and appointment of an accounting firm, evaluate the application documents of the proposed accounting firm, and record and maintain the evaluation opinions of the persons involved in the evaluation.

The evaluation factors for selection and appointment of an accounting firm shall at least include audit fee quotation, qualifications, practice records, quality management standards, work plans, human and other resources allocation, information security management, and level of risk tolerance of the accounting firm.

The selecting party shall evaluate and score each valid application document separately and summarise the scores of each evaluation factor. The weight of the scores for quality management standards shall be no less than 40%, and the weight of the scores for audit fee quotation shall be no more than 15%.

**Article 11** In evaluating the quality management standards of an accounting firm, the Company shall focus on the evaluation of the quality management system and its implementation, including policies and procedures in aspects such as project consultation, resolution of disagreements, review of project quality, inspection of project quality, and identification and rectification of quality management deficiencies.

**Article 12** In evaluating the audit fee quotation of an accounting firm, the Company shall take the average of the audit fee quotation of all accounting firms that meet the requirements specified in the selection and appointment document as the benchmark price of the selection and appointment, and the score of the audit fee quotation shall be calculated in accordance with the following formula:

Score of the audit fee quotation = (1 – | the benchmark price of the selection and appointment – audit fee quotation | /benchmark price of the selection and appointment) × the weight of the audit fee quotation factor

**Article 13** In principle, the Company shall not set a maximum price for the selection and appointment of an accounting firm, and if a maximum price is needed, the basis for determination and reasonableness of such maximum price shall be explained in the selection and appointment document.

**Article 14** During the engagement period, the Company and the accounting firm may reasonably adjust the audit fees based on factors such as changes in consumer price index and average wage level of the society, as well as changes in the scale and complexity of the business.

If the audit fees decrease by 20% or more (including 20%) compared to the previous year, the Company shall, as required, specify the amount of audit fees for the current period, the pricing principles, the changes thereof and reasons for changes in the information disclosure documents.

**Article 15** Before the re-appointment of the accounting firm for the following year, the Audit Committee shall conduct a comprehensive and objective evaluation of the work completed as well as the practice quality of the accounting firm in the previous year. Upon approval by more than half of all members of the Audit Committee, the re-appointment shall be submitted to the Board of Directors for consideration and approval, and then submitted to the shareholders' general meeting for consideration. In the event that the re-appointment has not been approved by more than half of all members of the Audit Committee, the accounting firm shall be replaced.

**Article 16** The Audit Committee of the Company shall be highly cautious over and pay attention to the following situations:

(I) where the accounting firm is changed after the balance sheet date and before the date on which the annual report is issued, the accounting firm is changed for two consecutive years, or the accounting firm is changed multiple times in the same year;

(II) the accounting firm to be engaged has been subject to administrative penalties for its practice quality repeatedly in the past three years or has multiple audit projects under official investigation;

(III) the original audit team to be engaged has been transferred to another accounting firm;

(IV) there is a significant change in audit fees during the engagement period as compared to that of the previous year, or the transaction price of the selection and appointment is significantly lower than the benchmark price;

(V) the accounting firm fails to substantially rotate the audit project partners or signing certified public accountants as required.

**Article 17** If the audit project partners and the signing certified public accountant have actually provided audit service for the Company for an aggregate period of five years, they shall not be allowed to participate in the audit service of the Company for five consecutive years thereafter.

The period of time during which the audit project partner and the signing certified public accountant provided audit services for the Company at different accounting firms due to changes in employment shall be aggregated.

In the event that the Company undergoes a major asset reorganisation or the spin-off and listing of a subsidiary, and the audit project partner and the signing certified public accountant provided audit services for the Company have not been changed, the period of time for which the relevant audit project partner and the signing certified public accountant provided audit services before and after the major asset reorganisation or the spin-off and listing of the subsidiary shall be aggregated.

The period of time for which the audit project partner and the signing certified public accountant provided audit services before and after the listing of the Company shall be aggregated. Where the audit project partner or the signing certified public accountant provides audit services for an initial public offering of shares or a public offering of shares to unspecified investors and the listing thereof, the consecutive audit services period after the listing shall not exceed two years.

**Article 18** The Company shall disclose information on the length of service of the accounting firm, audit project partner and signing certified public accountant, audit fees and other information in its annual financial final settlement report or annual report.

The Company shall disclose the evaluation report on the performance of duties by the accounting firm and the report of the Audit Committee on the performance of its duties for supervising the accounting firm every year in accordance with the requirements. In the event of a change of accounting firm, it shall also disclose the details of the former accounting firm and the audit opinion for the previous year, the reasons for change of accounting firm, and the communication with the former and subsequent accounting firms.

**Article 19** In reviewing the proposal for the change of appointment of accounting firm, the Audit Committee shall consult the former accounting firm to understand the relevant circumstances and reasons for the change, conduct diligent investigation on the practice quality of the proposed accounting firm, make reasonable assessment of the practice quality of both accounting firms and issue their review opinion on the basis of judgement in respect of the sufficiency of reasons for the change of appointment.

**Article 20** In the event that the accounting firm initiates the request to terminate its audit service for the Company, the Audit Committee shall obtain detailed information from the relevant accounting firms as to the reasons thereof and make a written report to the Board of Directors.

**Article 21** Where the Company changes the accounting firms, the selection and appointment shall be completed before the end of the fourth quarter of the year under audit.

**Article 22** The Company and the accounting firm engaged shall duly archive and keep the documents in relation to the selection and appointment, application, evaluation, employment and relevant decision-making materials, and shall not forge, alter, conceal or destroy such documents and materials. The retention period of the documents and materials shall be at least 10 years from the date on which the selection and appointment is completed.

## CHAPTER 5 SUPERVISION AND PENALTIES

**Article 23** The Audit Committee shall supervise and inspect the selection and appointment of accounting firm, and the inspection results shall be included in the annual audit evaluation opinions:

(I) the implementation of laws, regulations and policies related to financial auditing;

(II) whether the standards, methods and procedures for the selection and appointment of accounting firm comply with the relevant requirements of the State and the securities regulatory departments;

(III) the performance of the relevant employment agreement;

(IV) other matters that are subject to supervision and inspection.

**Article 24** Where there are serious consequences arising from the violation of this system and the relevant provisions regarding the selection and appointment of accounting firm, the Audit Committee shall report the same to the Board of Directors in a timely manner, and shall handle the matter in accordance with the following provisions:

(I) a notice of criticism shall be circulated to the relevant responsible persons by the Board of Directors depending on the severity of the case;

(II) where the shareholders' general meeting so resolved, the economic losses arising from the dismissal of an accounting firm due to breach of contract shall be borne by the directly responsible person of the Company and other directly responsible persons;

(III) in the event of serious case, the relevant responsible persons shall be subject to corresponding economic penalties or disciplinary sanction.

**Article 25** Where the accounting firm providing audit services commits any one of the following acts and causes serious consequences, the Company shall no longer appoint it for audit work upon resolution of the shareholders' general meeting:

(I) failure to timely report the relevant financial audit information to the Company as required;

(II) colluding with other audit firms to fraudulently apply for the engagement;

(III) outsourcing or subcontracting its audit projects to other firms;

(IV) the audit report fails to meet the audit requirements, and there are obvious audit quality issues;

(V) other non-compliance with the requirements of this system.

## CHAPTER 6 SUPPLEMENTARY PROVISIONS

**Article 26** Matters not included herein shall be implemented in accordance with the relevant provisions of the relevant national laws, regulations, normative documents and the Articles of Association. In case of any conflicts between this system and any subsequently promulgated national laws, regulations, normative documents or the Articles of Association as amended by lawful procedures, the relevant national laws, regulations, normative documents and the Articles of Association shall prevail.

**Article 27** Should there be any amendments to this system required due to changes in actual circumstance, the Board of Directors shall submit the amendments to the shareholders' general meeting for consideration.

**Article 28** This system shall be interpreted by the Board of Directors.

**Article 29** This system shall, upon consideration and approval by the shareholders' general meeting, take effect from the date on which the Company completes the initial public offering and listing of A shares on the ChiNext.

* *For identification purposes only*

# Shanghai INT Medical Instruments Co., Ltd.*

# 上海瑛泰醫療器械股份有限公司

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

**(Stock Code: 1501)**

## NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2026

**NOTICE IS HEREBY GIVEN THAT** the second extraordinary general meeting of 2026 (the "**EGM**") of Shanghai INT Medical Instruments Co., Ltd.* (上海瑛泰醫療器械股份有限公司) (the "**Company**") will be held at Block 2, No. 925 Jin Yuan Yi Road, Jiading District, Shanghai, the PRC on Friday, 4 December 2026 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 17 November 2026 (the "**Circular**").

### ORDINARY RESOLUTIONS

1. To consider and approve the proposal on the Company's engagement of intermediaries for the initial public offering and listing on the ChiNext Market of the SZSE

2. To consider and approve the proposal on the Company's establishment of a special deposit account for proceeds

3. To consider and approve the proposal on the adoption of the Governance Policies applicable following the listing of A Shares

   3.01 Working System for Independent Directors (Independent Non-executive Directors) of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

   3.02 Management System of Related Party (Connected) Transactions of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

   3.03 Management System of External Guarantees of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

   3.04 Management System of External Investments of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

3.05 Management System of Proceeds of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

3.06 Management System on the Remuneration and Performance Evaluation of Directors and Senior Management of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

3.07 Rules for the Selection and Appointment of Accounting Firm of Shanghai INT Medical Instruments Co., Ltd.* (Draft)

4. To consider and approve the proposal on the change of domestic auditor of the Company for the year 2026

**SPECIAL RESOLUTIONS**

5. To consider and approve the proposal on the provision of guarantees by the Company for its subsidiaries

6. To consider and approve the proposal on the Company's application for the initial public offering and listing on the ChiNext Market of the SZSE

6.01 Class of shares

6.02 Number of A Shares to be issued

6.03 Pricing method

6.04 Method of issuance

6.05 Target subscribers

6.06 Underwriting method

6.07 Sponsor and lead underwriter

6.08 Stock listing venue

6.09 Timing of issuance

6.10 Use of proceeds

6.11 Validity period of the resolution

7. To consider and approve the proposal on the satisfaction by the Company of the conditions for the initial public offering and listing on the ChiNext Market of the SZSE

8. To consider and approve the proposal on the Company's investment projects funded by proceeds from the initial public offering and listing on the ChiNext Market of the SZSE and their feasibility

9. To consider and approve the proposal on the Company's share price stabilisation plan for the three years following the initial public offering and listing on the ChiNext Market of the SZSE

10. To consider and approve the proposal on the Company's accumulated profit distribution plan prior to the initial public offering and listing on the ChiNext Market of the SZSE

11. To consider and approve the proposal on the Company's Shareholder dividend return plan for the three years following the initial public offering and listing on the ChiNext Market of the SZSE

12. To consider and approve the proposal on the Company's measures to remedy the diluted current returns following the initial public offering and listing on the ChiNext Market of the SZSE

13. To consider and approve the proposal on the Company's giving of relevant undertakings and adoption of corresponding restraint measures in respect of the initial public offering and listing on the ChiNext Market of the SZSE

14. To consider and approve the proposal on requesting the Shareholders at the Company's Shareholders' general meeting to authorise the Board to handle in full all matters in connection with the initial public offering and listing on the ChiNext Market of the SZSE

15. To consider and approve the proposal on the adoption of the Articles of Association (Draft) applicable following the listing of A Shares

16. To consider and approve the proposal on the adoption of the Rules of Procedures for the Shareholders' General Meeting (Draft) applicable following the listing of A Shares

17. To consider and approve the proposal on the adoption of the Rules of Procedures for the Board (Draft) applicable following the listing of A Shares

By order of the Board
**Shanghai INT Medical Instruments Co., Ltd.***
**上海瑛泰醫療器械股份有限公司**
**Dr. Liang Dongke**
*Chairman*

Shanghai, the PRC
17 November 2026

*Registered office, headquarters and principal place of business in the PRC:*
Block 2, No. 925 Jin Yuan Yi Road
Jiading District, Shanghai, the PRC

*Principal place of business in Hong Kong:*
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

*Notes:*

(i) A Shareholder entitled to attend and vote at the EGM or its adjournment (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more issued shares of RMB1.00 each in the Company, more than one) proxy to attend and vote, on a poll, in his/her/its stead in accordance with the Articles of Association. A proxy needs not be a Shareholder.

(ii) A form of proxy for use at the EGM is issued and published by the Company on 17 November 2026. Whether or not you intend to attend the EGM in person, you are urged to complete and return the form of proxy in accordance with the instructions printed on the form of proxy issued and published by the Company as soon as possible. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) if you so wish. In such event, your form of proxy will be deemed to have been revoked.

(iii) A form of proxy together with any power of attorney or other authorisation documents (if any) under which it is signed or a notarized copy of that power of attorney or authorisation documents must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be), in order to be valid.

(iv) In order to determine the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026, both days inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p. m. on Monday, 30 November 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the EGM is Friday, 4 December 2026.

(v) In the case of joint registered holders of any Shares, any one of such joint registered holders may vote at the EGM, either in person or by proxy, in respect of such Shares as if he/she/it were solely entitled thereto; but should more than one of such joint registered holders be present at the EGM, either in person or by proxy, the vote of that one of them so present, whose name stands first on the register of members in respect of such Shares shall be accepted to the exclusion of the votes of the other joint registered holder(s).

(vi) The EGM is expected to take less than half a day. Shareholders who attend the EGM shall be responsible for their own travel and accommodation expenses.

*As at the date of this notice, the Board comprises Dr. Liang Dongke and Mr. Lin Sen as executive Directors, Dr. Song Yuan, Ms. Chen Hongqin, Mr. Zhang Hong and Ms. Chen Jie (employee representative Director) as non-executive Directors, and Mr. Xu Congli, Dr. Zhang Peng and Dr. Lai Wan Lung as independent non-executive Directors.*

* *For identification purposes only*