

Shanghai Longcheer Technology Co., Ltd.

Articles of Association

**(Applicable after the Offering and
Listing of H Shares)**

January 2026

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CHAPTER I GENERAL PROVISIONS

- Article 1** The Articles of Association are formulated in accordance with the provisions of the Company Law of the People’s Republic of China (《中華人民共和國公司法》) (the “Company Law”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》) (the “Securities Law”), Trial Administrative Measures for Overseas Issuance and Listing of Securities by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant provisions for the purposes of safeguarding the legitimate rights and interests of Shanghai Longcheer Technology Co., Ltd. (the “Company”), shareholders, employees and creditors and regulating the organization and conduct of the Company.
- Article 2** The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations by the original registered shareholders of Longcheer Technology (Shanghai) Company Limited (“Longcheer Limited”) as the promoter, and by way of promotion and establishment of Longcheer Limited as a whole. The Company was registered with the Shanghai Municipal Administration for Market Regulation and has obtained a business license (Unified Social Credit Code: 913100007679060358).
- Article 3** The Company conducted its first share offering of 60 million Renminbi-denominated ordinary shares (the “A Shares”) to the general public on October 25, 2023 after approved by the China Securities Regulatory Commission (the “CSRC”) and such shares were listed on the Shanghai Stock Exchange on March 1, 2024.
- The Company made a filing with the CSRC on December 9, 2025 for the issuance of 52,259,100 overseas listed foreign shares (the “H Shares”) in Hong Kong. The aforesaid H Shares was listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”, together with the Shanghai Stock Exchange collectively referred as the “Stock Exchanges”) on January 22, 2026.
- Article 4** The registered Chinese name of the Company: 上海龍旗科技股份有限公司
English Name: Shanghai Longcheer Technology Co., Ltd.
- Article 5** The Company’s domicile address: Floor 1, Building 1, 401 Caobao Road, Xuhui District, Shanghai. Postal code: 200233.
- Article 6** The Company’s registered capital is RMB[•].
- Article 7** The Company is a joint stock limited company with perpetual existence.

Article 8 The director executing corporate affairs on behalf of the Company is the legal representative of the Company. The Chairman of the Board of Directors executes corporate affairs on behalf of the Company.

If a director serving as the legal representative resigns, he/she shall also be deemed to have resigned as the legal representative. If the legal representative resigns, the Company will determine a new legal representative within thirty days from the date of the resignation of the legal representative.

Article 9 The legal consequences of civil activities performed by the legal representative in the name of the Company shall be borne by the Company.

The limitation on the powers and functions of the legal representative under the Articles of Association or by the general meeting shall not be asserted against a bona fide counterpart.

Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall bear civil liability for such damage. The Company may, after bearing such civil liability, seek indemnification from the legal representative at fault in accordance with laws or the Articles of Association.

Article 10 The shareholders shall be liable for the Company to the extent of the shares they subscribed, and the Company shall be liable for the Company's debts to the extent of all of its property.

Article 11 The Articles of Association shall become a legally binding document that regulates the organization and behavior of the Company, the rights and obligations between the Company and its shareholders, and between the shareholders, from the effective date, and shall be legally binding on the Company, shareholders, directors, and senior management officers. Pursuant to the Articles of Association, shareholders may sue shareholders, shareholders may sue directors and senior management officers of the Company, shareholders may sue the Company, and the Company may sue the shareholders, directors and senior management officers.

Article 12 The senior management officers mentioned in the Articles of Association refer to the general manager, deputy general manager and secretary to the Board of Directors and financial controller of the Company.

Article 13 The Company shall set up an organization of the Communist Party of China (the "CPC") and carry out CPC activities in accordance with the requirements of the constitution of the CPC. The Company shall provide the CPC organization with necessary conditions for its activities.

CHAPTER II BUSINESS OBJECTIVE AND SCOPE

Article 14 The Company's business objectives are focusing on the research and development of smart electronic information devices and high-end manufacturing, continuing to provide high-quality services for the top consumer electronics brands and technology enterprises, in order to create value for customers while achieving quality growth. The Company is committed to becoming the world's leading provider of smart devices and services.

Article 15 After registration in accordance with the law, the Company's business scope shall encompass technical research and development of mobile communication technology and related products, design, research and development and production of electronic modules for wireless communication and related software products, production of new electronic components, sales of self-produced products and provision of related technical advice and technical services, and import and export of goods and technology (projects that require approval in accordance with the law may only carry out business activities after approval has been granted by the relevant authorities).

CHAPTER III SHARES

Section 1 Issuance of Shares

Article 16 The shares of the Company shall take the form of registered share certificates.

Where the share capital of the Company includes shares that do not carry voting rights, the word "non-voting" must appear on the name of such shares. Where the share capital includes shares with different voting rights, the name of each class of shares, other than those with the most favorable voting rights, must include the words "restricted voting" or "limited voting".

Article 17 The shares of the Company shall be issued in a fair and equal manner, and each share shall rank *pari passu* with other shares of the same class. Shares of the same class issued at the same time shall be issued with the same conditions and price per share; any subscriber shall pay the same price per share for the subscription of shares.

Article 18 All the shares issued by the Company are denominated in Renminbi, with a nominal value of RMB1.00 per share. The shares issued by the Company and listed on the Shanghai Stock Exchange are hereinafter referred to as "A Shares"; the shares issued by the Company and listed on the Hong Kong Stock Exchange are hereinafter referred to as "H Shares".

Article 19 The A Shares issued by the Company are centrally deposited with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The H Shares issued by the Company shall primarily be deposited in the custodian company of the Hong Kong Securities Clearing Company Limited in accordance with the laws and practices for securities registration and depository of the place where the shares of the Company are listed, or may also be held by shareholders in their own names.

Article 20 The name of promoters of the Company, the number of shares subscribed, the method and timing of capital contribution are as follows:

No.	Name of promoter	No. of shares subscribed (10 thousand shares)	Shareholding percentage (%)	Method of capital contribution	Timing of capital contribution
1.	Kunshan Longcheer Investment Management Center (Limited Partnership) (昆山龍旗投資管理中心(有限合夥))	12,096	33.60	Net assets	May 18, 2015
2.	Kunshan Longfei Investment Management Center (Limited Partnership) (昆山龍飛投資管理中心(有限合夥))	4,464	12.40	Net assets	May 18, 2015
3.	Kunshan Yunrui Investment Management Center (Limited Partnership) (昆山雲睿投資管理中心(有限合夥))	3,132	8.70	Net assets	May 18, 2015
4.	Kunshan Yuanye Investment Management Center (Limited Partnership) (昆山遠業投資管理中心(有限合夥))	1,764	4.90	Net assets	May 18, 2015
5.	Kunshan Yongcan Investment Management Center (Limited Partnership) (昆山永燦投資管理中心(有限合夥))	1,116	3.10	Net assets	May 18, 2015
6.	Kunshan Renxun Investment Management Center (Limited Partnership) (昆山仁迅投資管理中心(有限合夥))	1,080	3.00	Net assets	May 18, 2015
7.	Kunshan Hongdao Investment Management Center (Limited Partnership) (昆山弘道投資管理中心(有限合夥))	1,044	2.90	Net assets	May 18, 2015
8.	Kunshan Qizhuang Investment Management Center (Limited Partnership) (昆山旗壯投資管理中心(有限合夥))	460.8	1.28	Net assets	May 18, 2015
9.	Kunshan Qizhi Investment Management Center (Limited Partnership) (昆山旗志投資管理中心(有限合夥))	496.8	1.38	Net assets	May 18, 2015
10.	Kunshan Qiling Investment Management Center (Limited Partnership) (昆山旗凌投資管理中心(有限合夥))	367.2	1.02	Net assets	May 18, 2015
11.	Kunshan Qiyun Investment Management Center (Limited Partnership) (昆山旗雲投資管理中心(有限合夥))	1,555.2	4.32	Net assets	May 18, 2015
12.	Tianjin Jinmi Investment Partnership (Limited Partnership) (天津金米投資合夥企業(有限合夥))	3,600	10.00	Net assets	May 18, 2015
13.	Suzhou Industrial Park Shunwei Technology Venture Investment Partnership (Limited Partnership) (蘇州工業園區順為科技創業投資合夥企業(有限合夥))	3,600	10.00	Net assets	May 18, 2015

No.	Name of promoter	No. of shares subscribed (10 thousand shares)	Shareholding percentage (%)	Method of capital contribution	Timing of capital contribution
14.	Ma'anshan Wutong Tree Equity Investment Partnership (Limited Partnership) (馬鞍山梧桐樹股權投資合夥企業 (有限合夥))	540	1.50	Net assets	May 18, 2015
15.	Dong Hong (董紅)	360	1.00	Net assets	May 18, 2015
16.	Tang Hairong (唐海蓉)	324	0.90	Net assets	May 18, 2015
Total		36,000	100.00		

Article 21 After the completion of the initial public offering of H Shares, the total share capital of the Company is [•] shares, all of which are ordinary shares; among which [•] A-share ordinary shares, accounting for [•]% of the total share capital of the Company, and [•] H-share ordinary shares, accounting for [•]% of the total share capital of the Company.

Article 22 The Company or its subsidiaries (including affiliated enterprises of the Company) shall not provide financial assistance in the form of, among others, gifts, advances, guarantees, or lending for others to acquire the shares of the Company, except for implementation of the Company's employee stock ownership plan.

Unless otherwise provided in the securities regulatory rules of the place where the Company's shares are listed, for the benefit of the Company, pursuant to a resolution passed by the general meeting, or a resolution passed by the Board of Directors in accordance with the Articles of Association or authorization of the general meeting, the Company may provide financial assistance for other persons to acquire shares of the Company, provided that the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital. Such resolution of the Board of Directors shall be passed by more than two-thirds of all the directors.

If the Company or its subsidiaries (including affiliated enterprises of the Company) engage in any of the acts described in the preceding two paragraphs of this Article, they shall comply with laws, administrative regulations, and provisions of the CSRC and the Stock Exchanges.

Section 2 Increase, Reduction and Repurchase of Shares

Article 23 The Company may, pursuant to a resolution passed by a general meeting, adopt the following methods to increase its capital according to its operation and development needs and in compliance with the provisions of laws and regulations:

- (I) issuance of shares to non-specific investors;
- (II) issuance of shares to specific investors;

- (III) distribution of bonus shares to existing shareholders;
- (IV) conversion of the common reserve fund into additional share capital;
- (V) other means as permitted by laws, administrative regulations, the CSRC and other securities regulatory rules of the place where the Company's shares are listed.

Article 24 The Company may reduce its registered capital. If the Company reduces its registered capital, such reduction shall be made in accordance with the Company Law, and other relevant provisions and the procedures stipulated in the Articles of Association.

Article 25 The Company shall not acquire the shares of the Company. However, except under any of the following circumstances:

- (I) reduction of the registered capital of the Company;
- (II) merging with other companies which are holding the shares of the Company;
- (III) when shares are used for employee stock ownership plan or equity incentives;
- (IV) when dissenting shareholders who object to a resolution on the merger or division of the Company passed by a general meeting request the Company to acquire their shares;
- (V) when shares are used for the conversion of corporate bonds issued by the Company that are convertible into shares;
- (VI) where it is necessary for the Company to maintain corporate value and shareholders' interests.

Article 26 When the Company acquires its own shares, such acquisition may be made through public and centralized transactions, or other methods recognized by laws, administrative regulations, the CSRC and other securities regulatory authorities of the place where the Company's shares are listed.

Where the Company acquires its own shares due to the circumstances stipulated in items (III), (V) or (VI), the first paragraph of Article 25 hereof, it should be conducted through public and centralized transactions.

Article 27 The Company's acquisition of its own shares shall be approved by resolution of the general meeting if it arises from circumstances set forth in items (I) and (II), the first paragraph of Articles 25 hereof, or may be approved by resolution of the meeting of Board of Directors approved by more than two thirds of attending directors in accordance with the provisions hereof or with the authorization of the general meeting, if it arises from circumstances set forth in items (III), (V) and (VI), the first paragraph of Articles 25 hereof, subject to the applicable securities regulatory rules of the place where the Company's shares are listed.

In respect of the A shares, after the Company has acquired its own shares in compliance with the requirements of Article 25, if the acquisition is carried out under the circumstance stipulated in item (I), such shares so acquired shall be canceled within 10 days from the date of acquisition; if the acquisition is carried out under the circumstances stipulated in items (II) or (IV), such shares so acquired shall be transferred or canceled within six months; if the acquisition is carried out under the circumstances stipulated in items (III), (V) or (VI), the total number of the Company's shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or canceled within three years. In respect of the H Shares, if the relevant matters related to share repurchase are provided otherwise under the laws, regulations and the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail.

Section 3 Transfer of Shares

Article 28 Shares of the Company may be transferred in accordance with laws. Transfer of all H shares shall be executed with a written instrument of transfer in a general or common format or any other format accepted by the Board (including the standard transfer format or form of transfer specified by the Hong Kong Stock Exchange from time to time); the said instrument of transfer may only be signed by hand, or be stamped with the valid corporate seal (if the transferor or the transferee is a company). If the transferor or the transferee is a recognized clearing house (the "Recognized Clearing House") or its agent within the meaning of the relevant ordinances of Hong Kong laws effective from time to time or the rules of the securities regulatory authority of the place where the Company's shares are listed, the instrument of transfer may be signed by hand or in machine printed form. All instruments of transfer shall be kept at the legal address of the Company or other place designated by the Board from time to time.

Article 29 The Company does not accept its own shares as collateral of pledge.

Article 30 Shares issued prior to the public offering of A Shares by the Company shall not be transferred within one year from the date on which the A Shares of the Company are listed and traded on the Shanghai Stock Exchange.

The directors and senior management officers of the Company shall report to the Company on their shareholdings in the Company and changes thereof, and shall not transfer more than 25% of the total shares held by them in the Company per annum during their terms of office; the shares of the Company held by them shall not be transferred within one year from the date on which the shares of the Company are listed and traded. The shares they held in the Company also cannot be transferred within half a year after such persons have left office.

If it is otherwise provided in the laws, administrative regulations, provisions of the CSRC and the securities regulatory rules of the place where the Company's shares are listed regarding restrictions on the transfer of the Company's shares, such provisions shall prevail.

Article 31 The Company's directors, senior management officers or shareholders holding more than 5% of the Company's shares (excluding recognized clearing houses or their agents as defined in the relevant ordinances in force from time to time under the laws of Hong Kong), who sell the Company's shares or other equity-based securities within six months after purchase, or buy back within six months after selling, all the gains generated shall belong to the Company, and the Board of the Company is responsible for recovering such gains. However, any securities company which holds more than 5% of the shares due to the purchase of remaining shares after underwriting, and other circumstances as prescribed by the provisions of the CSRC or the securities regulatory rules of the place where the Company's shares are listed, are exempted.

Shares or other equity-based securities held by directors, senior management officers and natural person shareholders as mentioned in the preceding paragraph, include shares or other equity-based securities held by their spouses, parents or children, or through the accounts of others.

If the Board of Directors of the Company fails to execute the provisions as stated in the first paragraph of this Article, the shareholders shall have the right to require the Board of Directors to execute within 30 days. If the Board of Directors of the Company fails to execute such action within the aforesaid time limit, the shareholders shall have the right to directly initiate a lawsuit in the people's court in their own names for the benefit of the Company.

If the Board of Directors of the Company fails to execute the provisions as stated in the first paragraph of this Article, the responsible directors shall bear joint and several liabilities under the law.

CHAPTER IV SHAREHOLDERS AND GENERAL MEETINGS

Section 1 General Provisions for Shareholders

Article 32 The Company shall make a register of members in accordance with evidentiary documents provided by the securities registration and settlement authority, and such register of members shall be the sufficient evidence substantiating that the shareholders hold the shares of the Company. The original copy of the register of members of H Shares shall be kept in Hong Kong for inspection by the shareholders, however, the procedure for registration of members may be suspended by the Company in accordance with the applicable laws, regulations and securities regulatory rules of the place where the Company's shares are listed. Shareholders enjoy rights and undertake obligations according to the class of shares they hold. Holders of the same class shall enjoy the same rights and bear the same obligations.

For any person who is a registered shareholder or who claims to be entitled to have his/her name (title) entered in the register of members in respect of shares in the Company, if his/her share certificate is lost, he/she may apply to the Company for a replacement share certificate in respect of such shares. Shareholders of A Shares who have lost their share certificates and apply for re-issue may be processed pursuant to the relevant provisions of the Company Law. Shareholders of H Shares who have lost their share certificates and apply for re-issue may be processed pursuant to the relevant provisions of the laws, rules of the stock exchange or other relevant provisions of the place where the original copy of the register of members of H Shares is kept.

Article 33 Where the Company convenes a general meeting, distributes dividends, liquidates and participates in other activities requiring the recognition of shareholders' identities, the Board or the convener of the general meeting shall decide the record date, and shareholders whose names appear on the register of members at the close of business on the record date are entitled to relevant rights and interests. If laws, administrative regulations, departmental rules, regulatory documents, securities regulatory rules of the place where the Company's shares are listed, and the Stock Exchanges or regulatory authorities have provisions on the period of closure of the register of shareholders prior to a general meeting or the base day of which the Company decides to distribute dividends, such provisions shall prevail.

Article 34 The shareholders of the Company shall enjoy the following rights:

- (I) obtaining dividends and other forms of benefit distribution in proportion to the shares held by them;
- (II) requiring to hold, convene, chair, attend or appoint a proxy to attend a general meeting pursuant to the law and exercising the corresponding voting rights at the general meeting, unless individual shareholders are required by the securities regulatory rules of the place where the shares are listed or applicable laws and regulations to abstain from voting on individual matters;
- (III) supervising the Company's operations, proposing recommendations or raising questions;
- (IV) transferring, donating or pledging shares held by them pursuant to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and provisions of the Articles of Association;
- (V) inspecting and copying the Articles of Association, share register, minutes of general meeting, resolutions of the Board meetings and financial and accounting reports. Shareholders who meet the requirements may inspect the Company's accounting books and certificates;
- (VI) upon termination or liquidation of the Company, participating in the distribution of the remaining property of the Company in proportion to the number of shares held by them;
- (VII) dissenting shareholders who object to the resolution on the merger or division of the Company passed by the general meeting may request the Company to acquire their shares;
- (VIII) other rights stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 35 If any shareholder demands to inspect and copy the relevant information, the said shareholder shall comply with laws and administrative regulations such as the Company Law and the Securities Law, and shall provide the Company with written documents bearing evidence of the class and number of shares of the Company held by him/her/it. The Company shall provide the information as required by the said shareholder upon verification of his/her/its identity. Shareholders who individually or collectively hold more than 3% of the Company's shares for a consecutive period of more than 180 days requesting to inspect the accounting books and vouchers of the Company shall submit a written request to the Company, stating the purpose. If the Company reasonably believes that the shareholder's inspection of the accounting books and vouchers is for an improper purpose that may harm the legitimate interests of the Company, it may refuse to provide such inspection, and shall provide a written reply to the shareholder within fifteen days from the date of the shareholder's written request, explaining the reasons for the refusal. Where any shareholder demands to inspect or copy the relevant information of the Company's wholly owned subsidiaries, this Article shall apply.

Article 36 If the content of a resolution passed at the Company's general meeting or Board meeting violates laws or administrative regulations, shareholders shall have the right to petition the people's court to invalidate the resolution.

If the procedures for convening, or the method of voting at, a general meeting or Board meeting violate laws, administrative regulations or the Articles of Association, or the content of a resolution violates the Articles of Association, shareholders shall have the right to petition the people's court to revoke the resolution within 60 days from the date of the adoption of such resolution. However, except that there are only minor defects in the convening procedures or voting method of a general meeting or a Board meeting, which do not materially affect the resolution.

Where the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of a general meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgement or ruling as rescinded the resolution, the stakeholders shall execute the resolution of the general meeting. The Company, directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.

Where the people's court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, the requirements of the CSRC and the Stock Exchanges, fully explain the impact, and actively co-operate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, they will be handled in a timely manner and the corresponding information disclosure obligations will be fulfilled.

Article 37 Resolutions of the general meeting or Board meeting of the Company shall not be valid under any of the following circumstances:

- (I) no general meetings or Board meetings has been convened to pass the resolution;

- (II) the resolution is not voted on at the general meeting or Board meeting;
- (III) the number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association;
- (IV) the number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association.

Article 38 Where the directors (other than the members of the Audit Committee) and senior management officers violate the laws, administrative regulations or the Articles of Association in performing their duties to the Company resulting in any loss to the Company, the shareholder(s) severally or jointly holding more than 1% of the shares in the Company for more than 180 consecutive days may request the Audit Committee in writing to initiate proceedings in the people's court. Where the members of the Audit Committee violate the laws, administrative regulations or the Articles of Association in performing duties to the Company resulting in any loss to the Company, the aforesaid shareholders may request the Board of Directors in writing to initiate proceedings in the people's court.

If the Audit Committee and the Board of Directors, upon receipt of the shareholders' written request stipulated in the preceding paragraph, reject to initiate a lawsuit, or a lawsuit is not initiated within 30 days from the date of receipt of such request, or in the event of emergency where the interest of the Company will suffer irreparable damage if a lawsuit is not initiated immediately, the shareholders stipulated in the preceding paragraph shall have the right to initiate legal proceedings directly with the people's court in their own names for the interest of the Company.

Where other parties infringe the lawful interests of the Company resulting in losses to the Company, the shareholders stipulated in the first paragraph of this Article may initiate legal proceedings in a people's court in accordance with the provisions of the preceding two paragraphs.

Where the directors, supervisors or senior management of a wholly-owned subsidiary of the Company violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, or if any third parties infringe upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and cause losses, the shareholder(s) severally or jointly holding more than 1% of the shares in the Company for more than 180 consecutive days, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, are entitled to request the supervisors, supervisory committee or board of directors of the wholly-owned subsidiary to initiate legal proceedings with the people's court in writing or directly initiate legal proceedings with the people's court in their own names.

For wholly-owned subsidiaries of the Company that do not have a supervisory committee or supervisors but have established an audit committee, the provisions of the first and second paragraphs of this Article shall apply.

Article 39 Where any director or senior management officer violates the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, damaging the interests of shareholders, the shareholders may initiate legal proceedings in a people's court.

Article 40 The shareholders of the Company shall assume the following obligations:

- (I) complying with laws, administrative regulations and the Articles of Association;
- (II) paying share payments as per the shares subscribed for and the method of subscription;
- (III) not to withdraw its share capital, except for circumstances stipulated by laws and regulations;
- (IV) not to abuse the shareholders' rights to impair the interest of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liability of shareholders to impair the interest of creditors of the Company;
- (V) other obligations of the shareholders as prescribed by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and provisions of the Articles of Association.

Article 41 Shareholders of the Company shall be liable for making compensation for any loss suffered by the Company or other shareholders arising from their abuse of shareholders' rights in accordance with law. Shareholders of the Company who abuse the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously impair the interest of creditors of the Company shall be jointly and severally liable for the debts of the Company.

Section 2 Controlling Shareholders and De Facto Controllers

Article 42 The controlling shareholders and de facto controllers of the Company shall exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, provisions of the CSRC and the Stock Exchanges, to safeguard the interests of the Company.

Article 43 The controlling shareholders and de facto controllers of the Company shall abide by the following provisions:

- (I) exercise shareholder rights in accordance with the law, not to abuse controlling interest, or exploit related relationships to harm the legitimate rights and interests of the Company or other shareholders;
- (II) strictly fulfill public statements and commitments made, without unauthorized changes or waivers;

- (III) strictly fulfill information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in information disclosure work, and promptly inform the Company of significant events that have occurred or are planned to occur;
- (IV) shall not misappropriate the Company's funds in any way;
- (V) shall not coerce, instruct, or require the Company and related personnel to illegally provide guarantees;
- (VI) shall not seek benefits using the Company's undisclosed significant information, shall not disclose any undisclosed significant information about the Company in any way, shall not engage in insider trading, short term trading, market manipulation, or other illegal activities;
- (VII) shall not damage the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset reorganization, external investments, or any other means;
- (VIII) ensure the integrity of the Company's assets, personnel independence, financial independence, institutional independence, and business independence, and shall not in any way affect the Company's independence;
- (IX) comply with laws, administrative regulations, provisions of the CSRC, the business rules of the Stock Exchanges, the securities regulatory rules of the place where the Company's shares are listed and other provisions of the Articles of Association.

The controlling shareholders and de facto controllers of the Company who do not serve as directors of the Company but actually carry out the Company's affairs shall be subject to the provisions of the Articles of Association regarding the fiduciary duty and diligence duty of directors.

If the controlling shareholders and de facto controllers of the Company instruct a director or senior management officer to engage in actions that harm the interests of the Company or shareholders, they shall be jointly liable with the director or senior management officer concerned.

Article 44 If the controlling shareholders and de facto controllers pledge the Company's shares they hold or actually control, they should maintain the Company's control rights and ensure stable production and operation.

Article 45 If the controlling shareholders and de facto controllers transfer their holdings of the Company's shares, they shall comply with the restrictive provisions on share transfer in laws, administrative regulations, provisions of the CSRC and securities regulatory rules of the place where the Company's shares are listed, as well as the commitments they have made regarding restricted share transfers.

Section 3 General Provisions for General Meetings

Article 46 The general meeting of the Company shall be composed of all shareholders. The general meeting is the authority of power of the Company which shall exercise the following functions and powers in accordance with the laws:

- (I) elect and replace the directors who are not employee representative, and decide on the remuneration matters of the relevant directors;
- (II) consider and approve the reports of the Board of Directors;
- (III) consider and approve the Company's profit distribution plans and loss recovery plans;
- (IV) pass resolutions to increase or reduce the registered capital of the Company;
- (V) pass resolutions on the issuance of corporate bonds;
- (VI) pass resolutions on merger, division, dissolution and liquidation or change in corporate form of the Company;
- (VII) amend the Articles of Association;
- (VIII) pass resolutions on the engagement or dismissal of accounting firms engaged in the audit work of the Company;
- (IX) consider and approve the guarantee matters stipulated in Article 47 hereof;
- (X) consider matters regarding the purchase and sale of material assets by the Company within one year for an amount exceeding 30% of the latest audited total assets of the Company;
- (XI) consider and approve the changes in the use of proceeds raised;
- (XII) consider the equity incentive scheme and employee stock ownership plan;
- (XIII) the general meeting can authorize the board of directors to make resolutions on the issuance of corporate bonds;
- (XIV) consider other matters which shall be decided by the general meetings as stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Unless otherwise provided by laws, administrative regulations, the provisions of the CSRC or the securities regulatory rules of the place where the Company's shares are listed, the aforesaid powers and functions of the general meeting shall not be exercised by the Board of Directors or any other body or individual by way of authorization.

Article 47 The following external guarantees of the Company shall be considered and approved by the general meeting:

- (I) any guarantee provided after the total amount of the external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the audited net assets for the latest period;
- (II) any guarantee provided after the total amount of the external guarantees provided by the Company exceeds 30% of the Company's audited total assets for the latest period;
- (III) the guarantee whose amount exceeds 30% of the Company's total audited assets in the latest period according to the principle of cumulative calculation of guarantee amount for 12 consecutive months;
- (IV) the guarantee provided to the guaranteed party with a debt-to-asset ratio of more than 70%;
- (V) any single guarantee with its amount exceeding 10% of the audited net assets for the latest period;
- (VI) any guarantee provided to shareholders, de facto controllers and their related parties;
- (VII) other transactions that shall be decided by the general meeting in accordance with relevant laws and regulations or the securities regulatory rules of the place where the Company's shares are listed.

All guarantees of the Company are subject to approval by a majority of all members of the Board of Directors of the Company in accordance with the procedures and shall also be approved by more than two-thirds of the directors present at the meeting, and shall be reported to the general meeting for approval of any guarantee exceeding the approval authority of the Board of Directors as stipulated in the Articles of Association. When the general meeting considers on the guarantees specified in item III of the preceding paragraph, it must be approved by more than two-thirds of the votes held by the shareholders present at the meeting. In the event that the Board of Directors or the general meeting violates the approval authority and review procedures of external guarantees, the relevant director or shareholder who violates the approval authority and review procedures shall be held jointly and severally liable.

Article 48 General meetings are categorized into annual general meetings and extraordinary general meetings. The annual general meetings shall be held once a year and shall be held within six months after the end of the preceding fiscal year.

Article 49 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

- (I) where the number of directors is less than the number stipulated in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (II) where the losses of the Company that have not been made up represent one-third of its total share capital;
- (III) where such meeting is requested by shareholders individually or jointly holding more than 10% of the shares of the Company;
- (IV) where such meeting is deemed necessary by the Board of Directors;
- (V) where such meeting is proposed to be convened by the Audit Committee;
- (VI) other circumstances specified in laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

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

If the extraordinary general meeting is convened in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, the actual date of such extraordinary general meeting to be convened may be adjusted in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Article 50 The venue for holding a general meeting of the Company shall be the domicile of the Company or other places as may be determined in the notice of the general meeting. The general meeting will be held in a venue and will be held by means of physical meeting, with the possibility of online participation. The Company will also provide online voting as a convenience to shareholders.

General meeting may be convened by means of electronic communication in addition to being held on-site at a meeting place. The shareholders that have participated in the meeting through access of the aforesaid means shall be deemed as present at the meeting. The Company will also provide online voting as a convenience to shareholders.

After the issuance the notice of a general meeting, the venue for convening such physical general meeting shall not be changed without a proper reason. In the event of necessary change, the convener shall make an announcement stating the reasons at least 2 working days prior to the date of such physical meeting.

Article 51 When the Company convenes general meetings, it shall engage lawyers to issue legal opinions and publish an announcement on the following:

- (I) whether the convening of the general meeting and its procedures are in compliance with laws, administrative regulations and the Articles of the Association;
- (II) whether the qualifications of the attendees and the convener are lawful and valid;
- (III) whether the voting procedures and results of the voting are lawful and valid;
- (IV) legal opinions on other related matters at the request of the Company.

Section 4 Convening of General Meetings

Article 52 The Board of Directors shall convene the general meeting on time within the specified period.

The Independent Directors are authorized to propose to the Board of Directors to convene an extraordinary general meeting with the approval of a majority of all Independent Directors. In response to a proposal from an independent director requesting the convening of an extraordinary general meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of the extraordinary general meeting within 10 days of receipt of the proposal. Where the Board of Directors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after a resolution of the Board of Directors is approved. Where the Board does not agree to convene the extraordinary general meeting, it shall give the reasons and make an announcement in respect thereof.

Article 53 The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, and shall make such proposal in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of an extraordinary general meeting within 10 days of receipt of the proposal.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within five days after a resolution of the Board of Directors is approved. Any changes made to the original proposal in the notice shall be agreed by the Audit Committee.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within 10 days after receiving the proposal, it is deemed that the Board of Directors is unable to fulfill or does not fulfill its duty to convene the general meeting, and the Audit Committee may convene and preside over the meeting on its own.

Article 54 The shareholders who individually or jointly hold more than 10% of the shares of the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting, and shall make such request to the Board of Directors in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, provide written feedback on whether it agrees or disagrees with the convening of an extraordinary general meeting within 10 days of receipt of the proposal.

Where the Board agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days after a resolution of the Board of Directors is approved. Any changes made to the original request in the notice shall be agreed by the relevant shareholders.

If the Board of Directors does not agree to convene an extraordinary general meeting or fails to provide feedback within 10 days after receiving the request, shareholders who individually or jointly hold more than 10% of the Company's shares and propose to the Audit Committee to convene an extraordinary general meeting shall submit their request in writing to the Audit Committee.

If the Audit Committee agrees to convene the extraordinary general meeting, it shall issue a notice of general meeting within 5 days upon receipt of such request, and any changes to the original request set out in the notice shall be subject to the consent of relevant shareholders.

If the Audit Committee fails to give notice of a general meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the general meeting, and the shareholders who have individually or jointly held more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over the meeting on their own.

Article 55 If the Audit Committee or the shareholders decide to convene a general meeting on their own, they must notify the Board of Directors in writing and file a report with the Stock Exchanges or make an announcement.

The Audit Committee or the convening shareholders shall, at the time of issuing the notice of the general meeting and the announcement of the resolution of the general meeting, submit the relevant supporting materials to the Stock Exchanges in accordance with the securities regulatory rules of the place where the Company's shares are listed.

Before the announcement of the resolution of the general meeting, the shareholding ratio of convening shareholders shall be not less than 10%.

Article 56 For a general meeting convened by the Audit Committee or shareholders on their own, the Board of Directors and the secretary to the Board of Directors shall provide cooperation. The Board of Directors shall provide the register of members as of the record date.

Article 57 For a general meeting convened by the Audit Committee or shareholders on their own, the expenses necessary for the meeting shall be borne by the Company.

Section 5 Proposals and Notices of General Meetings

Article 58 The content of a proposal shall fall within the terms of reference of a general meeting with a clear topic and specific matters to be resolved, and shall comply with the relevant provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. Proposals shall be submitted or served in writing form.

Article 59 When the Company holds a general meeting, the Board of Directors, the Audit Committee, and shareholders who individually or jointly hold more than 1% of the Company's shares have the right to submit proposals to the Company.

Shareholders who individually or jointly hold more than 1% of the Company's shares may propose a provisional proposal and submit it in writing to the convener 10 days prior to the general meeting. The convener shall issue a supplementary notice of the general meeting within two days after the receipt of the proposal, announcing the contents of the provisional proposal and submitting the provisional proposal to the general meeting for deliberation, except that the provisional proposal is in violation of the provisions of the laws, administrative regulations or the Articles of Association or does not fall within the terms of reference of the general meeting. If the general meeting shall be postponed for the publication of the supplementary notice of the general meeting in accordance with the provisions in the securities regulatory rules of the place where the Company's shares are listed, the convening of the general meeting shall be postponed in accordance with the relevant provisions.

Save as specified above, the convener shall neither revise the proposals set out in the notice of general meetings nor add new proposals after issuing the notice of general meeting.

The general meeting shall not vote or pass resolutions on proposals not listed in the notice of the general meeting or resolutions not in conformity with the Articles of Association.

Article 60 The convener shall notify shareholders in writing (including announcements) 21 days prior to the annual general meeting and 15 days prior to the extraordinary general meeting. If laws, regulations and the securities regulatory rules of the place where the Company's shares are listed have other provisions, such provisions shall prevail.

The Company shall not include the date of the meeting when calculating the starting time.

Article 61 The notice of the general meeting shall include the following particulars:

- (I) the time, venue and duration of the meeting;
- (II) the matters and proposals to be reviewed at the meeting;
- (III) explicit textual explanation: all shareholders shall be entitled to attend the general meeting and they may appoint a proxy in writing to attend and vote at such meeting on their behalf and that such proxy needs not be a shareholder of the Company;
- (IV) the record date for shareholders who are entitled to attend the general meeting;
- (V) the name and telephone number of the regular contact person for the meeting;
- (VI) the voting time and voting procedures of the meeting for the online voting or other means of voting.

All specific content of all proposals shall be fully and completely disclosed in the notice and supplemental notice of the general meeting.

Where an independent director is required to express opinions on matters to be discussed, the opinions and reasons of the independent directors shall be disclosed at the same time when the notice of general meeting or the supplementary notice are issued.

Where a general meeting adopts online or other means, the notice of the general meeting shall expressly state the time and the procedures of the online or other voting methods. Online or other voting methods for the general meeting shall not commence earlier than 3: 00 p.m. on the day preceding the date of the on-site general meeting, and no later than 9: 30 a.m. on the date of the on-site general meeting; and shall not end before 3: 00 p.m. of the date of the on-site general meeting.

The interval between the date of record and the date of the meeting shall be no more than 7 business days. Once the date of record is confirmed, it shall not be changed.

Article 62 If matters related to the election of directors are proposed to be discussed at a general meeting, detailed information of the candidates for directors shall be fully disclosed in the notice of the general meeting, including at least the following:

- (I) his/her personal particulars such as educational background, work experience and part-time employment;
- (II) whether he/she has a related relationship with the Company or the controlling shareholder and de facto controller of the Company;
- (III) the number of shares of the Company held by him/her;

- (IV) whether he/she has been penalized by the CSRC and other relevant authorities and disciplined by the Stock Exchanges;
- (V) whether the qualifications for appointment and other details that should be disclosed are in compliance with the requirements of laws, administrative regulations, departmental rules, regulatory documents, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association of the Company.

Except for the election of directors by adopting a cumulative voting system, the election of each candidate for a director shall be proposed by way of a separate proposal.

Article 63 After the issuance of the notice of a general meeting, such general meeting shall not be postponed or cancelled without a proper reason, and the proposals set out in the notice of the general meeting shall not be revoked. In the event of postponement or cancellation, the convener shall make an announcement stating the reasons at least 2 working days prior to the original date of the meeting. In respect of the procedures for postponing or cancelling a general meeting, if the securities regulatory rules of the place where the Company's shares are listed specify otherwise, the provisions shall prevail provided that they do not violate the domestic regulatory requirements.

Section 6 Holding of General Meetings

Article 64 The Board of Directors and other conveners of the Company shall take all necessary measures to ensure the normal order of a general meeting. Measures shall be taken to stop acts of interfering with general meetings, picking quarrels and provoking trouble and infringing on the legitimate rights and interests of shareholders, which shall be promptly reported to relevant authorities for investigation and punishment.

Article 65 All shareholders registered on the record date or their proxies shall have the right to attend the general meeting and exercise their shareholders' rights, including the right to speak, in accordance with the relevant provisions of the laws and administrative regulations, the securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association. The Company and the convener shall not deny their rights to do so for any reason whatsoever. A shareholder attending a general meeting shall have one vote for each share held (unless such shareholder is required to waive his/her voting rights in respect of individual matters by virtue of the provisions of laws, administrative regulations, or the securities regulatory rules of the place where the Company's shares are listed).

Shareholders may attend the general meeting in person or appoint a proxy to attend, speak and vote on their behalf. If a shareholder is a recognized clearing house (or its proxy) as defined in the relevant ordinances in force from time to time under the laws of Hong Kong, the shareholder may authorize the corporate representative(s) or one or more persons as he/she thinks fit to act as his/her proxy(ies) at any general meetings.

Any shareholder entitled to attend and vote at a general meeting may appoint one person or persons (who does not need to be a shareholder) as his/her proxy to attend and vote at such meeting. If the shareholder is a legal person, it may appoint one proxy to attend and vote at any general meeting of the Company, and if such legal person shareholder is present at any meeting by proxy, it shall be deemed to be present in person. The legal person shareholder may sign a proxy form by its duly authorized person. Such proxy may exercise the following rights as entrusted by the shareholder:

- (I) The shareholder's right to speak at the general meeting;
- (II) The right to demand by himself/herself or jointly with others in voting by way of poll;
- (III) Unless otherwise provided in the relevant laws, administrative regulations and the listing rules of the Stock Exchanges or other securities laws and regulations, the right to vote may be exercised either by a show of hands or by poll (unless such shareholder is required to waive his/her voting rights in respect of individual matters by virtue of the securities regulatory rules of the place where the shares are listed).

Article 66 An individual shareholder who attends the meeting in person shall produce his/her own ID card or other valid documents or proof evidencing his/her identity. If a proxy is appointed to attend the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.

If the legal representative/managing partner of the partnership (or his/her delegate) of a legal person shareholder attends the meeting in person, he/she shall present his/her own valid ID, certificate of legal representative/managing partner (or his/her delegate), and a copy of the business license with the official seal stamped on it for registration. If the legal representative/managing partner of the partnership of a legal person shareholder or his/her delegate appoints a proxy to attend the meeting, the proxy shall present his/her own valid ID, a copy of the business license with the official seal stamped on it, a document certifying that he/she is the legal representative/managing partner (or his/her delegate), and a power of attorney to complete the registration formalities; except where the shareholder is a recognized clearing house and its nominee.

Article 67 The form of proxy issued by shareholders to authorize others to attend the general meeting shall contain the following contents:

- (I) Name of the appointer, and the class and number of shares held in the Company;
- (II) the name of the proxy;
- (III) the specific instructions of the shareholder, including the instructions to vote for, against, or abstain from voting in respect of each of the matters on the agenda to be considered at the general meeting;

- (IV) date of issue and validity period of the form of proxy;
- (V) signature (or seal) of the appointer. In the event that the appointer is a legal person shareholder, such form of proxy shall be affixed with the seal of the corporate entity, or signed by its director or a duly appointed proxy.

Article 68 Where such form of proxy is signed by a person under a power of attorney on behalf of the appointer, such power of attorney or other authorization document shall be notarized. The notarized power of attorney and other authorization documents, together with the proxy form, shall be lodged at the Company's premises or such other place designated in the notice convening the meeting.

The form of proxy shall be lodged at least twenty-four hours prior to the commencement of the relevant meeting at which it authorizes voting, or at least twenty-four hours prior to the time appointed for voting, at the domicile of the Company or at such other place as specified in the notice of the meeting. Where the form of proxy is signed by a person authorized by the appointer, the power of attorney or other authorization instruments to authorize the signing shall be notarized. The notarized power of attorney or other authorization instruments, together with the voting form of proxy are required to be lodged at the domicile of the Company or other places as specified in the notice of the meeting.

Where the appointer is a legal person, its legal representative or the person authorized by the resolution of its board of directors or other decision-making body shall act as a representative to attend the general meeting of the Company on behalf of the appointer.

If the shareholder is the Recognized Clearing House (or its nominee), the shareholder may authorize one or more individuals deemed appropriate by it to act as its representative at any general meeting and creditors' meeting. However, if more than one person is granted authorization, the power of attorney should specify the number and type of shares for which each of these individuals is authorized. The power of attorney shall be signed by an authorized officer of the Recognized Clearing House. A person so authorized may attend the meeting on behalf of the Recognized Clearing House (or its nominee) to exercise rights (without having to produce proof of shareholding, a notarized authorization and/or further evidence of formal authorization) and shall have the same statutory rights as other shareholders, including the right to speak and to vote, as if it were an individual shareholder of the Company.

Article 69 The Company shall be responsible for preparing the register of meeting for recording attendance at the meeting. The register of meeting shall record, among other things, the name of the attending person (or entity), identity card number, the number of shares held with voting rights or representing voting rights, and the name of the appointer (or entity).

Article 70 The convener and the lawyers engaged by the Company shall verify the legality of shareholders' qualifications based on the register of members provided by the securities depository and clearing corporation, and register the names of the shareholders and the number of shares with voting rights held by them. The registration of the meeting shall be terminated prior to the announcement by the chairman of the meeting on the number of shareholders and proxies attending the meeting and the total number of shares with voting rights held by them.

Article 71 If the general meeting requires directors and senior management officers to attend the meeting, the directors and senior management officers shall attend and answer inquiries from shareholders. Subject to the securities regulatory rules of the place where the Company's shares are listed, the aforesaid persons may attend or take part in the meeting by internet, video, telephone or other means with equivalent effect.

Article 72 The general meeting shall be presided over by the chairman of the Board of Directors. If the chairman is unable or fails to perform his or her duties, the meeting shall be presided over by the vice chairman if there is a vice chairman in the Board (if there are two or more vice chairmen, the vice chairman elected by more than half of the Directors shall preside over the meeting); if the vice chairman cannot or fails fulfill the duty thereof or there is no vice chairman, more than half of the Directors shall jointly elect a director to preside over the meeting.

A general meeting convened by the Audit Committee on its own initiative shall be chaired by the chairperson of the Audit Committee (convener). In the event that the chairperson of the Audit Committee (convener) is unable or fails to perform his/her duties, a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee shall preside over the meeting.

A general meeting convened by shareholders on their own initiative shall be chaired by the convener or the representative nominated by the convener.

When convening a general meeting, if the chairman of the meeting breaches the procedural rules causing the general meeting unable to proceed, with the consent of more than half of the shareholders with voting rights attending the general meeting, the general meeting may nominate a person to act as the chairman of the meeting to continue convening such meeting.

Article 73 The Company shall formulate the rules of procedure for general meetings, which shall specify in details the holding, convening and voting procedures for the general meeting, including notice, registration, consideration of the proposals, voting, vote counting, announcement of voting results, formation of meeting resolutions, minutes of meeting and signing, and the content of announcement, as well as the principles for authorization by the general meeting to the Board of Directors, and the content of authorization shall be clear and specific.

The rules of procedure for general meetings shall be an appendix to the Articles of Association, formulated by the Board of Directors and approved at the general meeting.

Article 74 At the annual general meeting, the Board of Directors shall report their work in the previous year to the general meeting. Each of the independent directors shall also make their personal work reports.

Article 75 Directors and senior management officers shall provide explanations and clarifications on the queries and suggestions from shareholders at the general meeting.

Article 76 The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies attending the meeting as well as the total number of shares with voting rights held by them, which shall be the number of shareholders and proxies attending the meeting and the total number of shares with voting rights held by them as indicated in the register of meeting.

Article 77 The general meeting shall keep minutes of meeting, which shall be responsible by the secretary to the Board of Directors.

The minutes of meeting shall contain the following content:

- (I) the time, venue and agenda of the meeting, and the name of the convener;
- (II) the names of the chairman of the meeting and the directors and senior management officers attending the meeting or present at the meeting as non-voting attendees;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and the proportion of these shares to the total number of shares of the Company;
- (IV) the deliberation process of each proposal, summaries of the speeches and the voting results;
- (V) the details of the queries, comments or recommendations of the shareholders, and the corresponding responses or explanations;
- (VI) the names of the lawyer, the counter and the scrutineer of votes;
- (VII) other contents that should be recorded in the minutes of meeting as provided in the Articles of Association or the securities regulatory rules of the place where the Company's shares are listed.

Article 78 The convener shall ensure that the contents of the minutes of meeting are true, accurate and complete. The directors, secretary to the Board of Directors, the convener or representative thereof, and the chairman of the meeting who have attended the meeting shall sign on the minutes of meeting. The minutes of meeting shall be kept for a term of at least 10 years together with the book of signatures of the shareholders attending the meeting, the forms of proxies of the attending proxies, and the valid information on voting through internet and other means.

Article 79 The convener shall ensure that the general meeting is held continuously until final resolutions have been reached. In the event that the general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume convening the meeting as soon as possible or directly terminate the meeting and made an announcement in a timely manner. Meanwhile, the convener shall report to the local office of CSRC and the Stock Exchanges.

Section 7 Voting and Resolutions at General Meetings

Article 80 The resolutions of general meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions at a general meeting shall be passed by a majority of the votes held by the shareholders present at the general meeting.

A special resolution at a general meeting shall be passed by more than two-thirds of the votes held by the shareholders present at the general meeting.

The shareholders referred to in this Article include shareholders who appoint proxies to attend the general meeting.

Article 81 The following matters shall be resolved by way of ordinary resolution of the general meeting:

- (I) work reports of the Board of Directors;
- (II) profit distribution proposals and loss recovery proposals formulated by the Board of Directors;
- (III) appointment and removal of directors, and determination of the remuneration and method of payment of the directors;
- (IV) other matters other than those required to be approved by special resolutions under the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Article 82 The following matters shall be resolved by way of special resolution of the general meeting:

- (I) increase or decrease of the Company's registered capital;
- (II) separation, division, merger, dissolution and liquidation of the Company;
- (III) amendment to the Articles of Association;
- (IV) purchase and disposal of major assets by the Company within one year, or a guarantee amount exceeding 30% of the Company's audited total assets for the latest period;

- (V) equity incentive plan;
- (VI) adjustment or change of cash dividend policy;
- (VII) other matters as required by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, and other matters considered to have material impact on the Company by ordinary resolution of the general meeting and approval by special resolution is required.

Article 83 Shareholders shall exercise their voting rights by the number of shares with voting rights they represent, and each share shall have one vote. On a voting by ballot at a meeting, a shareholder (including his/her proxies) entitled to two or more votes does not need to cast all his/her votes for, against, or abstain. Where the securities regulatory rules of the stock exchange where the Company's shares are listed have other provisions, such provisions shall prevail.

When material issues affecting the interests of minority shareholders are considered at the general meeting, the votes of minority shareholders shall be counted separately, and the results of the separate count shall be publicly disclosed in a timely manner.

Shares of the Company held by the Company do not have voting rights, and such shares are not counted in the total number of shares entitled to vote at the general meeting. Where the securities regulatory rules of the place where the Company's shares are listed have special provisions, the relevant provisions shall prevail.

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

If the relevant laws and regulations and the securities regulatory rules of the place where the Company's shares are listed require any shareholders to abstain from voting on the relevant proposal, or restrict any shareholders to vote only in favor of or against the designated proposal, any votes cast by or on behalf of such shareholders in contravention of the aforesaid provisions or restrictions shall not be counted as part of the voting result.

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

Article 84 When matters relating to connected transactions are considered at a general meeting, the connected shareholders shall avoid voting, and the voting shares represented by such connected shareholders shall not be counted into the total number of valid votes. The announcement of the resolutions of the general meeting shall fully disclose the voting results of non-connected shareholders.

The disqualification and voting procedures for connected shareholders in connection with the consideration of matters relating to connected transactions are as follows:

- (I) Before giving notice of a general meeting, the convener shall, in accordance with the provisions of laws and regulations, make a judgement as to whether or not the relevant matter to be submitted for consideration at the general meeting constitutes a connected transaction. If, in the judgement of the convener, the relevant matter to be submitted for consideration at the general meeting constitutes a connected transaction, the convener shall notify the connected shareholders in writing of the same; and if the matter to be considered at the general meeting has a connected relationship with a shareholder, such shareholder shall disclose his/her connected relationship to the convener of the Company prior to the date of general meeting;
- (II) When the general meeting deliberates on matters relating to connected transactions, the presiding officer of the meeting shall announce the shareholders who are connected and shall explain and illustrate the relationship between the connected shareholders and the connected transactions;
- (III) The presiding officer of the meeting shall announce the disqualification of the connected shareholders and the non-connected shareholders shall deliberate and vote on the connected transactions;
- (IV) A resolution on the formation of a connected matter must be considered and passed by the unrelated shareholders present at the general meeting in accordance with the provision of Article 80.
- (V) If a connected shareholder fails to disclose the connected relationship in respect of the connected matters in accordance with the aforesaid procedures or avoid participating in voting, his/her vote shall be invalidated in respect of the voting on the relevant connected transaction.
- (VI) A connected shareholders who shall abstain from voting may participate in discussions in respect of matters involving their connected transaction and account for the reasons for entering into the transaction, and the basic details, the fairness and legality of the transaction and other related matters at the general meeting, but he/she is not entitled to participate in the voting on the matter.

Article 85 Connected shareholders who disagree with the decision of the convener shall have the right to submit a written statement of the reasons for their disagreement to the convener and request the convener to re-determine whether or not they constitute a connected relationship and whether or not they are entitled to the voting rights and to request the people's court to make a ruling on the matter. Until the convener or the people's court has made a re-determination or a ruling, the shareholders who are deemed to be connected shall not participate in the voting.

Article 86 Unless the Company is in a crisis or other special circumstances, the Company shall not enter into a contract with any person other than a Director or senior management personnel to entrust the management of all or significant business of the Company to that person without the approval of a relevant special resolution at a general meeting.

Article 87 The list of candidates for Directors shall be put forward by way of a proposal for voting at a general meeting.

When the general meeting votes on the election of Directors, it may, pursuant to the Articles of Association or a resolution of the general meeting, do so by cumulative voting. When a single shareholder and its persons acting in concert hold 30% or more of the shares, cumulative voting shall be adopted. When two or more independent non-executive directors be elected at the general meeting, cumulative voting shall be implemented.

The cumulative voting system referred to in the preceding paragraph means that in the election of Directors at a general meeting, each share shall attach the same number of voting rights as the number of Directors to be elected, and that the voting rights to which the shareholders are entitled may be centrally utilized. Shareholders may either use all of their voting rights to vote concentratedly for a single candidate for election as a Director, or may exercise their voting rights in a dispersed manner by voting for several candidates for election as Directors, with the election of the Directors being decided in order of the number of votes received. The Board of Directors shall disclose to the shareholders the resumes and basic information of the candidates. The Company has formulated *the Implementing Rules of the Cumulative Voting System for Shanghai Longcheer Technology Co., Ltd.* to regulate the relevant matters of the cumulative voting system.

Article 88 Except for the cumulative voting system, all proposals will be voted on individually at a general meeting, and if there are different proposals on the same matter, the proposals will be voted on in the order in which they were submitted. No proposal shall be set aside or not be able to be voted on at a general meeting unless the meeting is suspended or no resolution can be made at the meeting due to special reasons such as force majeure.

Article 89 When a proposal is considered at a general meeting, no amendment shall be made to the proposal, or the relevant change shall be deemed as a new proposal which may be voted on at the meeting.

Article 90 Each voting right shall only be exercised by attending meeting in person, through the internet or any one of the other voting methods. In the event of a repeat vote by the same voting right, the result of the first vote shall prevail.

Article 91 Voting at a general meeting shall be conducted by a registered poll.

Article 92 The general meeting shall, prior to the voting on proposals, elect two representatives from shareholders to take part in vote counting and polling scrutiny. In case any shareholder is connected to any matter to be considered, the shareholder and his/her proxy shall not take part in vote counting and polling scrutiny.

When the general meeting votes on proposals, lawyers and representatives of shareholders shall be jointly responsible for vote counting and scrutinizing, and the poll results shall be announced on the spot and the poll results of the resolution shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies who vote online or by any other means shall be entitled to check their voting results via the relevant voting system.

Article 93 The closing time of the on-site general meeting shall not be earlier than online or other ways. The chairman of the meeting shall announce the voting and results of every resolution, and announce whether the resolutions have been passed based on the voting results.

Before the official announcement of poll results, the Company, vote counters, scrutinizers, shareholders, network service providers and other relevant parties involved in the on-site general meeting, online and other ways of voting shall have an obligation to keep the voting situation confidential.

Article 94 Shareholders attending a general meeting shall express one of the following opinions on the proposals submitted for voting: for, against, or abstain. The declaration expressed by securities depository and clearing institution, as the nominal holder of interconnected mechanism for trading on the mainland and Hong Kong stock markets, according to the intention of actual holder is not included.

Votes that are unfilled, incorrectly filled, illegible, or uncast shall be deemed as the waiver of voting rights of the voter, and the voting results of the number of shares held by such voter shall be counted as “abstentions”.

Article 95 If the chairman of the meeting has any doubts about the results of any resolutions submitted for voting, he/she may organize the counting of the votes cast; if the chairman of the meeting fails to count the votes, shareholders or their proxies attending the meeting shall have the right to request for the counting of votes immediately after the announcement of the poll results if they have any objections to the results announced by the chairman of the meeting, and the chairman of the meeting shall organize the counting of votes immediately.

- Article 96** The resolutions of a general meeting shall be announced in a timely manner, and the announcement shall clearly set out the number of shareholders and proxies attending the meeting, the total number of voting shares held and the proportion to the total number of voting shares of the Company, the voting method, the poll results of each proposal and the details of each of the resolutions passed.
- Article 97** For any proposal that fails to be passed, or any amendment that has been made at the current general meeting to any resolution passed at the previous general meeting, a special reminder shall be given in the announcement of the resolutions of the general meeting.
- Article 98** If a proposal for the election of a Director is passed at a general meeting, the new Director shall take office from the date of passing the resolution at the general meeting until the expiration of the current term of office of the Board of Directors.
- Article 99** If a proposal for cash distributions, bonus issue or conversion of capital reserve into share capital, the Company shall implement the specific plan within 2 months of the conclusion of the general meeting. If the specific plan cannot be implemented within 2 months in accordance with the provisions of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such regulations and according to the actual situation.

CHAPTER V DIRECTORS AND BOARD OF DIRECTORS

Section 1 General Provisions for Directors

- Article 100** Directors shall be natural persons, and none of the following persons may serve as a director of the Company:
- (I) persons without capacity or with limited capacity for civil acts;
 - (II) persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in case of a suspended sentence, not more than two years have elapsed since the date of expiration of the probationary period;
 - (III) persons who acted as directors, or factory managers or managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation;

- (IV) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and were ordered to close down, and who were personally liable for the revocation of business license of such company or enterprise, where less than three years have elapsed since the date of the revocation of business license of such company or enterprise;
- (V) persons who have been listed by the people's court as defaulter because they have incurred debts of a large amount that have not been settled by the due date;
- (VI) persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;
- (VII) persons publicly declared by the Stock Exchanges as unsuitable for serving as a director or senior management member of a company for a period which has not yet expired;
- (VIII) other requirements stipulated in the laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed.

If the election or appointment of Directors violates the provisions of this Article, such election, appointment or engagement shall be null and void. If a Director falls under any of the circumstances described in this Article during his/her term of office, the Company shall remove him/her from his/her position and cease his/her performance of duties.

Article 101 Directors shall be elected or replaced by the general meeting and may be removed by the general meeting before his/her term of office expires. Each term of office of directors is three years, renewable upon re-election at its expiry. Where the relevant securities regulatory rules of the place where the Company's shares are listed have special provisions on the re-election of directors, such provisions shall prevail.

The Company shall have one employee representative director. The employee representative director shall be elected or replaced by the employee representative meeting and does not require consideration at the general meeting, and may be dismissed by the employee representative meeting before the expiry of his/her term of office. The term of office of the employee representative director shall be the same as the term of office of the current Board of Directors, and he/she may be re-elected upon expiry of his/her term of office.

The term of office of a Director shall commence on the date of appointment and end upon the expiry of the term of office of the current session of the Board of Directors. If a Director is not re-elected in time after his/her term of office expires, the original Director shall still perform his/her duties as a Director in accordance with the provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association until a Director re-elected takes office.

Subject to the relevant laws and regulations and securities regulatory rules of the place where the Company's shares are listed, if the Board of Directors appoints new directors to fill a temporary vacancy or to increase the number of directors, the term of the appointed director shall only extend to the first annual general meeting following their appointment, at which time they shall be eligible for re-election.

A Director may be concurrently held by the senior management personnel, but the number of Directors who concurrently hold the position of senior management and Directors who are employee representatives shall not exceed 1/2 of the total number of Directors of the Company.

Article 102 Directors shall comply with the provisions of laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and have a duty of loyalty to the Company; they shall take measures to avoid conflicts between their own interests and the interests of the Company, and they shall not make use of their powers to gain undue benefits.

The Directors shall bear the following obligations of loyalty to the Company:

- (I) Not to encroach upon the Company's property or misappropriate the Company's funds;
- (II) Not to deposit the Company's assets into an account in his/her own name or any other individual's name;
- (III) Not to take advantage of his/her functions and powers to accept bribes or obtain other illegal income;
- (IV) Not to enter into contracts or transactions directly or indirectly with the Company without reporting to the Board or the general meeting and obtaining the approval of the Board or the general meeting through resolution in accordance with the provisions of the Articles of Association;
- (V) Not to take advantage of his/her position to obtain business opportunities that should belong to the Company for himself/herself or others, except in any of the following circumstances: It has been reported to the Board or the general meeting and approved by a resolution of the general meeting; or according to laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, the Company cannot take advantage of the business opportunity;
- (VI) Not to carry on business of the same kind as that of the Company, either on his/her own account or on behalf of others without reporting to the Board or the general meeting and obtaining the approval of the general meeting through resolution;
- (VII) Not to accept and keep privately commissions on transactions between others and the Company;

- (VIII) Not to disclose the secrets of the Company without authorization;
- (IX) Not to damage the interests of the Company by taking advantage of his/her relationship; and
- (X) Other obligations of loyalty stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The income derived by the directors in violation of above provisions shall be returned to the Company. If losses are caused to the Company, they shall be liable for compensation.

The provisions of Item (IV), the second paragraph of this Article shall apply to the conclusion of contracts or transactions with the Company by close relatives of directors, and senior management, enterprises directly or indirectly controlled by directors, and senior management or their close relatives, as well as connected persons with whom directors, and senior management have other relationship.

Article 103 Directors shall abide by laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association, have diligence obligations to the Company and exercise due care generally expected of managers in the best interests of the Company when performing their duties.

Directors shall have the following diligence obligations to the Company:

- (I) The rights conferred by the Company shall be exercised prudently, conscientiously and diligently to ensure that the Company's business conducts comply with the requirements of national laws, administrative regulations and various national economic policies, and that its business activities do not exceed the business scope as stipulated in its business license;
- (II) All shareholders shall be treated fairly;
- (III) Keeping abreast of the business operation and management of the Company in a timely manner;
- (IV) They shall report to the Company and sign written confirmations regularly and ensure the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (V) Providing relevant information and materials to the Audit Committee in a truthful manner so as not to impede the Audit Committee from performing their functions and powers;
- (VI) Other duties of diligence as required by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 104 A director failing to attend the Board meetings either in person or by proxy for two times in succession shall be deemed as incapable of performing the duties, and the Board of Directors shall propose to the general meeting to have such director replaced.

Article 105 Directors may resign prior to the expiration of their term of office. Directors who resign shall submit a written resignation report to the Company. The resignation shall take effect on the day when the Company receives the resignation report. The Company will disclose the relevant situation within two trading days.

If the resignation of a director causes the members of the Board of Directors of the Company to fall below the legal minimum number or the resignation of an independent director results in the proportion of independent directors on the Board or its specialized committees not complying with the provisions of laws and regulations, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association, or having no accounting or finance professionals among the non-executive directors, before the re-elected director takes office, the original director shall still perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 106 The Company has a system in place to manage the departure of directors, which specifies safeguard measures for pursuing and recovering liability for unfulfilled public commitments and other outstanding matters. A director shall complete all formalities for handing over to the Board when his/her resignation takes effect or when his/her term of office expires, and his/her fiduciary duty towards the Company and its shareholders shall not ipso facto be discharged upon expiration of his/her term of office and will be still in effective for a reasonable period specified by the Articles of Association. The liability that a director bears during his/her term of office due to the performance of his/her duties shall not be waived or terminated upon leaving office.

The period for a director to bear fiduciary duties shall be 24 months upon his/her resignation takes effect or his/her term of office expires.

Article 107 Unless otherwise provided by law, shareholders shall be entitled to relieve the duties of the directors by ordinary resolution at the general meeting before the term of office of any director expires, provided that such removal shall not affect any claim made by such director for damages according to any contract.

Where a director is removed before expiration of his/her term of office without justifiable reasons, the Director may demand indemnification from the Company.

Article 108 No director shall act on behalf of the Company or the Board in his/her personal capacity without the provisions of the Articles of Association or the lawful authority of the Board. Where a director is acting in his/her personal capacity, he/she shall declare his/her position and identity in advance where a third party would reasonably believe that he/she is acting on behalf of the Company or the Board.

Article 109 Where a director causes damage to others in the performance of his/her duties for the Company, the Company will be liable for compensation. The Director shall also be liable for compensation if he/she is found to have conducted intentional misconduct or gross negligence.

A director shall be liable for compensation as regards the damage caused to the Company if he/she violates the provisions of laws, administrative regulations, departmental rules and regulations, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association in the performance of his/her duties for the Company.

Section 2 Board of Directors

Article 110 The Company shall have a Board of Directors. The Board consists of 7 directors, with 3 independent directors and 1 employee representative director among them. The Board consists of 1 chairman and may have vice chairmen. The chairman and vice chairmen shall be elected by more than half of the directors. The directors of the Company may include executive directors and non-executive directors. Non-executive directors are persons without holding any other position in the Company other than as directors.

Article 111 The Board exercises the following powers:

- (I) convene a general meeting and report work to the general meeting;
- (II) implement the resolutions of the general meeting;
- (III) determine the Company's business plan and investment plan;
- (IV) formulate the Company's profit distribution plan and loss compensation plan;
- (V) formulate plans for the Company to increase or reduce its registered capital, issue bonds or other securities and for the listing;
- (VI) formulate plans for the Company's major acquisitions, acquisition of the Company's shares, or merger, division, dissolution and change of form of the Company;
- (VII) decide on external investment, acquisition and sale of assets, pledge of assets, external guarantee, connected transactions, external donations and other matters of the Company within the scope of authority of the general meetings;
- (VIII) decide on the establishment of the Company's internal management agencies;

- (IX) decide on the appointment or dismissal of the Company's general manager, secretary to the Board and other senior management personnel, and determine their remuneration, rewards and punishments; decide on the appointment or dismissal of the Company's deputy general manager, financial controller and other senior management personnel based on the nomination of the general manager and decide on their remuneration and rewards and punishments;
- (X) formulate the Company's basic management system;
- (XI) formulate a plan to amend the Articles of Association;
- (XII) manage the Company's information disclosure matters;
- (XIII) propose to the general meeting to hire or change the accounting firm to audit the Company;
- (XIV) listen to the work report of the general manager of the Company and inspect the work of the general manager;
- (XV) laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed, provisions of the Articles of Association or other powers granted by the general meeting.

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

Article 112 The Board shall give explanations to the general meeting in respect of audit reports with the qualified audit opinions issued by certified public accountants in respect of financial reports of the Company.

Article 113 The Board shall formulate the Rules of Procedures for Meetings of the Board of the Directors of Shanghai Longcheer Technology Co., Ltd. providing for the convening and voting procedures of the Board meeting to ensure the implementation of the resolutions of the general meetings, thereby enhancing efficiency and ensuring scientific decision-making.

The Rules of Procedures for Meetings of the Board of Directors of Shanghai Longcheer Technology Co., Ltd. shall be appended to the Articles of Association and formulated by the Board and approved at the general meetings.

Article 114 The Board shall establish strict review and decision-making procedures by setting the scope of authority for conducting external investment, purchase and sale of assets, asset pledge, external guarantee, entrusted wealth management, connected transactions and external donations, etc. Material investment projects shall be examined by relevant experts and professionals as arranged by the Board and shall be submitted to the general meeting for approval.

“Major transactions” aside from the Company’s daily operations include the following types:

- (I) purchase or sale of assets;
- (II) external investment (including entrusted financial management and investment in subsidiaries);
- (III) transfer or assignment of research and development projects;
- (IV) signing of license agreements; provision of guarantee;
- (V) provision of guarantees (including guarantees to controlled subsidiaries);
- (VI) leasing in or leasing out of assets;
- (VII) appointing or being appointed for the management of assets and businesses;
- (VIII) donating or receiving assets;
- (IX) reorganization of debts and liabilities;
- (X) provision of financial assistance (including interest-bearing or interest-free borrowings, and entrusted loans);
- (XI) waiver of rights (including waiver of the right of first refusal and the preferential subscription right of capital contribution);
- (XII) other transactions as identified by the stock exchanges.

The purchase and sales of assets above do not include transactions related to daily operations such as the purchase of raw materials, fuel and power, and the sale of products or goods.

Article 115 A major transaction of the Company (except for financial assistance and provision of guarantees) meeting any of the following criteria shall be disclosed in a timely manner and submitted to the general meeting for consideration:

- (I) the total assets involved in the transaction account for more than 50% of the Company’s latest audited total assets, where the total assets involved in the transaction have both book value and appraised value, whatever is higher shall prevail;
- (II) the transaction amount of the transaction (including the debt and expenses) accounts for more than 50% of the Company’s latest audited net assets, with an absolute amount exceeding RMB50 million;

- (III) the amounts of assets involved in the subject matter of the transaction (e.g., equity interests) account for more than 50% of the Company's latest audited net assets and their absolute amount exceeds RMB50 million, where the net assets involved in the transaction have both book value and appraised value, whatever is higher shall prevail;
- (IV) the revenue related to the subject of the transaction (e.g., equity interest) for the latest accounting year accounts for more than 50% of the Company's audited revenue for the latest accounting year, with an absolute amount exceeding RMB50 million;
- (V) the profit derived from the transaction accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million;
- (VI) the net profit related to the subject of the transaction (e.g., equity interest) for the latest accounting year accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million;

Unless otherwise provided for by the securities regulatory rules of the place where the Company's shares are listed, a major transaction of the Company (except financial assistance and provision of guarantees) meeting one of the following criteria but have not yet reached the amount requiring review and approval from the general meeting shall be reviewed and approved by the Board and disclosed in a timely manner:

- (I) the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets, where the total assets involved in the transaction have both book value and appraised value, whatever is higher shall prevail;
- (II) the transaction amount of the transaction (including the debt and expenses) accounts for more than 10% of the Company's latest audited net assets, with an absolute amount exceeding RMB10 million;
- (III) the net assets involved in the subject matter of the transaction (e.g., equity interests) account for more than 10% of the Company's latest audited net assets and their absolute amount exceeds RMB10 million, where the net assets involved in the transaction have both book value and appraised value, whatever is higher shall prevail;
- (IV) the revenue related to the subject of the transaction (e.g., equity interest) for the latest accounting year accounts for more than 10% of the Company's audited revenue for the latest accounting year, with an absolute amount exceeding RMB10 million;

- (V) the profit derived from the transaction accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million;
- (VI) the net profit related to the subject of the transaction (e.g., equity interest) for the latest accounting year accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million.

Where the relevant data in the above indicators is negative, the absolute value shall be used for calculation.

Transactions among the Company and its non-wholly owned subsidiaries within its scope of consolidated financial statements or other controlled entities, or among the subsidiaries above or other controlled entities, may be exempted from the disclosure and compliance with the corresponding procedures stipulated in this Article, unless otherwise provided by the CSRC or the stock exchanges, securities regulatory rules of the place where the Company's shares are listed, or the Articles of Association.

Article 116 Unless otherwise provided for in the securities regulatory rules of the place where the Company's shares are listed, the "financial assistance" transactions of the Company shall be reviewed and approved by a majority of all directors as well as more than two-thirds of the directors attending the board meeting and disclosed in a timely manner.

The financial assistance falling one of the positions following shall be submitted for consideration by the general meeting after considered and approved by the Board:

- (I) where the amount of an individual financial assistance exceeds 10% of the latest audited net assets of the Company;
- (II) where the financial information of the grantee in the latest period indicates that its gearing ratio exceeds 70%;
- (III) where the accumulative amount of financial assistance in the last twelve months exceeds 10% of the latest net audited assets of the Company;
- (IV) other circumstances stipulated by the stock exchanges of the place where the Company's shares are listed or in the Articles of Association.

Provided that it complies with the securities regulatory rules of the place where the Company's shares are listed, the provisions of the preceding two paragraphs may be exempted if the funded target is a holding subsidiary within the scope of the Company's consolidated financial statements, and other shareholders of such holding subsidiary do not include the controlling shareholder, de facto controller of the Company and their respective connected parties.

Article 117 Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, where there is a "guarantee" provided by the Company, the general meeting shall be entitled to decide on the external guarantee matters stipulated in Article 47 of the Articles of Association. Other external guarantee matters aside from the approval authority of the general meeting shall be reviewed and approved by the Board. The external guarantee matters reviewed the board shall be reviewed and approved by a majority of all directors as well as more than two thirds of the directors attending the board meeting and disclosed in a timely manner.

Article 118 The transactions within the scope of daily operations of the Company refer to the following types of transactions related to daily operations of the Company:

- (I) purchase of raw materials, fuel and power;
- (II) acceptance of labor services;
- (III) sales of products and commodities;
- (IV) provision of labor services;
- (V) engineering contracting;
- (VI) other transactions related to daily operations

The asset replacement involving the aforesaid transactions shall be subject to the provisions of "major transactions".

Article 119 Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, the Company shall submit to the Board for consideration and approval and disclose promptly if a transaction within the scope of daily operations of the Company meets one of the following criteria:

- (I) the amounts of contracts for any purchase of raw materials, fuels and power and receipt of services of the Company account for more than 50% of the latest audited total assets of the Company, with the absolute amount of more than RMB500 million;
- (II) the amounts of contracts for any sale of products and commodities, provision of services, and contracting of projects account for more than 50% of the audited revenue from principal businesses of the Company in the latest fiscal year, with the absolute amount of more than RMB500 million;
- (III) transactions that the Company or the Shanghai Stock Exchange considers having a material effect on the financial position and operations of the Company.

Article 120 Connected transactions of the Company refers to the matters transferring resources or obligations between the Company, its controlling subsidiaries as well as other controlled entities and its related persons, including:

- (I) The following connected transactions shall be considered and approved for timely disclosure by the general meeting. Any connected shareholder shall abstain from voting and shall not act as proxy for other shareholders to exercise voting rights:
1. the transaction amount between the Company and its related persons (including debts and expenses incurred) exceeding RMB30 million and accounting for more than 5% of the absolute value of the Company's latest audited net assets;
 2. the guarantees provided by the Company to related persons;
 3. the number of non-connected directors attending the meeting of the Board is less than three though the connected transaction falls within the scope of authority of the Board;
 4. provision of financial assistance to related invested companies of the Company as prescribed in this Article.

Unless otherwise provided by the securities regulatory rules of the place where the Company's shares are listed, where the Company and its related persons jointly invest to establish a company, and the Company's capital contribution reaches the standards specified in the item 1 in the paragraph (II) of this Article, if all contributors make capital contributions in cash, and the shareholding of each party in the established company is determined in accordance with the proportion of the capital contribution, the requirement to submit to the general meeting for consideration may be exempted.

Where the Company provides guarantees for related parties, such guarantees shall, in addition to being approved by more than half of all non-related directors, also be approved by at least two-thirds of the non-related directors attending the board meeting, and a resolution shall be passed and submitted to the general meeting for approval. Where the Company provides a guarantee for its controlling shareholders, de facto controllers and their connected parties, the controlling shareholders, de facto controllers and their connected parties shall provide counter guarantee.

- (II) The following connected transactions shall be considered and approved for timely disclosure by the board meeting. Any connected director shall abstain from voting and shall not act as proxy for other shareholders to exercise voting rights:
1. any related transaction between the Company and its related natural person in an amount, including debts and expenses incurred, exceeding RMB300,000;

2. any related transaction between the Company and its related legal person or other organizations in an amount, including debts and expenses incurred, exceeding RMB3,000,000 and accounting for over 0.5% of the latest audited absolute value of net assets of the Company.

The related transaction above shall be subject to consideration and approval by the Independent Director Special Board Committees of the Company and agreed to be submitted to the Board for consideration. A meeting of the Board of Directors may be held if more than half of the directors without associated relationships are present, and resolutions made at the meeting of the Board of Directors must be passed by a majority of the directors without associated relationships. If the number of directors without associated relationships attending the Board of Directors is less than three, the matter shall be submitted to the shareholders' meeting for review. If laws, regulations, or the securities regulatory rules of the place where the company's stock is listed impose additional restrictions on directors' participation in Board of Directors meetings and voting, such provisions shall prevail.

(III) Consideration and disclosure requirements for related party transactions may be waived for the following related party transactions entered into between the Company and its related persons:

1. transaction in which either party subscribes for the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party in cash;
2. transaction in which either party, as a member of the underwriters, underwrites the publicly issued shares, company bonds or corporate bonds, convertible company bonds or other types of derivatives of the other party;
3. transaction in which either party receives dividend, bonus or reward in accordance with the resolutions passed at the general meeting of the other party;
4. transaction in which either party participates in the public tender or auction of the other party, except where the tender or auction is unlikely to establish a fair price;
5. transaction in which the Company unilaterally obtains benefits without any consideration or obligation, including receiving cash assets as gifts, obtaining debt relief, accepting guarantees and financial assistance without consideration;
6. related party transaction in which the price is fixed by the state;
7. provision of funds without corresponding guarantee for this financial assistance by a related person to the Company at an interest rate not exceeding the loan interest rate prevailing in the market;

8. transaction in which the Company provides products and services to directors, senior managers and their close family members, close family members of natural persons who directly or indirectly hold more than 5% of the company's shares, and directors, supervisors (if any) and senior management officers of legal persons (or other organizations) that directly or indirectly control the company on the same trading conditions as non-related persons;
 9. the stock exchanges of the place where the Company's shares are listed and other transactions recognized by the Articles of Association.
- (IV) Other related transactions other than which were reviewed and approved by the general meeting above and the Board shall be subject to the approval of the general manager, unless otherwise provided for by the securities regulatory rules of the place where the Company's shares are listed.

The Company shall not provide financial assistance to its related parties, unless financial assistance is provided to a related investee company not controlled by the controlling shareholder or de facto controller of the Company and that other shareholders of the investee company also provide such financial assistance under the same conditions in proportion to their capital contribution. If the Company intends to provide financial assistance to any of the related investee companies above, in addition to consideration and approval by a simple majority of all non-related directors, consideration and approval by more than two-thirds of the non-related directors present at the board of directors' meeting shall be required, and the matter shall be submitted to the general meeting for deliberation.

Article 121 The chairman of the Board exercises the following powers:

- (I) preside over general meetings and convene and preside over board meetings;
- (II) supervise and inspect the implementation of board resolutions;
- (III) other powers granted by the Board.

Any statutory power that is required to be exercised by the board of directors shall not be exercised by the chairman of the Board or general manager on its behalf through authorization.

Article 122 The vice chairman (if any) of the Company shall assist the chairman. Where the chairman is unable to perform his/her duties nor has he/she designated the vice chairman to perform the duty on his/her behalf, or the chairman fails to perform his/her duties, the vice chairman shall perform the duty on behalf of the chairman (and if the Company has two or more vice chairman, the duty shall be performed by the vice chairman jointly elected by more than a half of the directors). Where the vice chairman is unable or fails to perform his/her duties, a majority of the directors may jointly elect one director to perform the duties.

Article 123 The Board holds at least four meetings each year, convened by the chairman of the Board. All directors shall be notified in writing 14 days prior to the meeting.

Article 124 Shareholders representing more than 1/10 of the voting rights, more than 1/3 of the directors or the Audit Committee may propose convening an extraordinary meeting of the Board. The chairman of the Board shall convene and preside over a board meeting within 10 days after receiving the proposal.

Article 125 The extraordinary meeting of the Board shall be notified to all directors in writing 5 days before the meeting. However, with the written consent of more than two thirds of the total number of directors on the Board, the extraordinary meeting of the Board may be exempted from the obligation to give advance notice. If the situation is urgent and an extraordinary meeting of the Board needs to be held as soon as possible, the meeting notice may be issued at any time through communication or other oral means, but the convener shall clarify at the meeting.

In the event that the Board decides to declare, propose or pay dividends, or it shall pass such announcements at the Board meeting in respect of profits or loss for any year, half-year or other periods, the Board must issue an announcement at least seven working days before the convening of such meeting in accordance with the provisions of the Hong Kong Listing Rules.

Article 126 A notice of a meeting of the Board shall include the following particulars:

- (I) the time and venue of the meeting;
- (II) the form in which the meeting is convened;
- (III) the matters (proposals) to be considered;
- (IV) the duration of the meeting;
- (V) the convener and presider of the meeting and the proposer of the extraordinary meeting and his/her written proposals;
- (VI) meeting materials necessary for voting by directors;
- (VII) requirements that a director shall attend the meeting in person or appoint another director to attend the meeting on his/her behalf;
- (VIII) contact person and contact information for the meeting;
- (IX) the date of issuance of the notice.

A verbal notice on meeting shall at least include the contents set out in items (I), (II) and (III) of the preceding paragraph, as well as explanations for the convening of an extraordinary meeting of the Board of Directors under urgent circumstances.

Article 127 Board meetings shall be attended by more than half of the directors. Resolutions made by the Board shall be approved by more than half of all directors. Where it is otherwise provided in the laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed or the Articles of Association has otherwise provided, such provisions shall prevail.

Voting on resolutions of the Board is based on one person, one vote.

Article 128 If Directors are related to the corporates or individuals involved in the matters resolved at the Board meeting, such Directors shall promptly report in writing to the Board. The Directors with connections may not exercise voting rights on the resolution, nor may they exercise voting rights on behalf of other directors. The Board meeting may be held if more than half of the unrelated directors are present, and resolutions made at the Board meeting shall be passed by more than half of the unrelated directors. If the number of unrelated directors present at the meeting of the Board is less than 3, the matter shall be submitted to the general meeting for review. If laws, regulations and the securities regulatory rules of the place where the Company's shares are listed have any additional restrictions on directors' participation in board meetings and voting, those provisions shall prevail.

If a shareholder or director holding more than 10% of the Company's voting rights has a material conflict of interest in a matter to be considered by the board of directors, the matter should be dealt with by holding a board meeting (rather than a written resolution). Independent directors who do not have a material interest in the transaction and whose close associates (as defined in the Hong Kong Listing Rules) do not have a material interest should attend the relevant board meeting.

Article 129 The methods of voting of resolutions of the Board meeting are: on a poll or on a show of hands or through facsimile.

Voting on a poll or on a show of hands shall be adopted by meetings convened by way of on-site meetings; voting on a poll shall be adopted by meetings convened through video, telephone. The Directors attending the meeting shall submit the signed original votes to the Board meeting within the period stated in the notice of the meeting; Voting through facsimile shall be adopted by meeting convened through facsimile. The Directors vote after the meeting shall also submit the signed original votes to the Board meeting within the period stated in the notice of the meeting.

The Board meeting shall be convened on site in principle. When necessary, the Board meeting, on the condition that the directors can fully express their opinions, can be convened and resolved through other methods including video, telephone, fax, or email signed by all participating directors.

Where a Board meeting is held offsite, the number of attending directors shall be counted according to the directors shown at the videoconference, the directors expressing their views at the conference call, valid votes such as facsimile or e-mail received within the prescribed period. The attending directors shall fax their written opinions and voting intentions on the matters under consideration to the Board office and send the original copies to the Company within a reasonable time limit after the Board meeting is held after signing and confirming.

Where board meetings are held by way of video or teleconference meetings, it shall be ensured that the attending directors can hear clearly and communicate with each other. Voice and video recording shall be made for whole process on in-person and video or teleconference meeting as necessary.

Article 130 Board meetings shall be attended by the director in person; if a director is unable to attend for any reason, he/she may authorize another director in writing to attend on his/her behalf. The letter of authorization shall state the name of the agent, matters of agency, scope of authorization and validity period, and shall be signed or stamped by the principal; Directors who attend meetings on their behalf shall exercise the rights of directors within the scope of authorization. If a director fails to attend a Board meeting or appoint a representative to attend, he/she shall be deemed to have given up his/her right to vote at the meeting.

Article 131 The Board shall keep minutes of its decisions on the matters considered at its meetings, which shall be signed by the directors present at the meeting.

The minutes of Board meetings shall be kept and filed by the Company for not less than 10 years.

Article 132 The minutes of Board meetings shall consist of the following:

- (I) the date and venue for the convention of meeting and name of person summoning the meeting;
- (II) the name of the director present and name of director (proxy) being appointed to attend on the other's behalf;
- (III) the agenda;
- (IV) the main point of director's speech;
- (V) the method of voting and the result (the result shall state the number of votes for, against or abstention) of each resolution.

The directors shall sign on and be responsible for the resolutions of the Board. If a resolution of the Board of Directors violates laws, regulations, the Articles of Association or resolutions of the Board, the directors participating in making the resolution are liable for compensation for any losses incurred by the Company due to the violation, provided that directors may be released from liability if they raise an objection at the time of voting, which is proved and recorded in the minutes of the meeting.

Section 3 Independent Directors

Article 133 Independent Directors shall conscientiously perform their duties in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the CSRC, the stock exchanges and the place where the Company's shares are listed, as well as the Articles of Association, play a role in participating in decision-making, supervising and balancing, and providing professional advice in the Board, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

Article 134 Independent directors must maintain independence. The following persons shall not serve as independent directors:

- (I) Persons who hold positions in the Company or its affiliated enterprises, and their spouses, parents, children, and major social relations;
- (II) Natural person shareholders who directly or indirectly hold one percent or more of the Company's issued shares, or who are among the top ten shareholders of the Company, and their spouses, parents, and children;
- (III) Persons who hold positions in shareholders who directly or indirectly hold five percent or more of the Company's issued shares, or who are among the top five shareholders of the Company, and their spouses, parents, and children;
- (IV) Persons who hold positions in the affiliated enterprises of the Company's controlling shareholder or de facto controller, and their spouses, parents, and children;
- (V) Persons who have significant business dealings with the Company, its controlling shareholder, de facto controller, or their respective affiliated enterprises, or persons who hold positions in entities with significant business dealings and their controlling shareholder or de facto controller;
- (VI) Persons who provide financial, legal, consulting, sponsorship, or other services to the Company, its controlling shareholder, de facto controller, or their respective affiliated enterprises, including but not limited to all project team members of intermediary agencies providing services, review personnel at all levels, persons signing reports, partners, directors, senior management, and key responsible persons;
- (VII) Persons who have had any of the circumstances listed in items (1) to (6) above within the past twelve months;
- (VIII) Other persons who do not possess independence as stipulated by laws, administrative regulations, the provisions of the CSRC, the business rules of the Stock Exchanges, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Independent directors shall conduct a self-assessment of their independence annually and submit the self-assessment to the Board of Directors. The Board of Directors shall annually assess the independence of incumbent independent directors and issue a special opinion, which shall be disclosed simultaneously with the annual report.

Article 135 Any person that serves as an independent director of the Company shall meet the following conditions:

- (I) Being qualified to serve as a director of a listed company in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and other relevant provisions;
- (II) Complying with the independence requirements as stipulated in these Articles of Association;
- (III) Possessing basic knowledge of the operation of listed companies and being familiar with relevant laws, regulations, and rules;
- (IV) Having five years or more of work experience in law, accounting, or economics necessary to perform the duties of an independent director;
- (V) Possessing good character and having no significant dishonest or other adverse records;
- (VI) Other conditions as stipulated by laws, administrative regulations, the provisions of the CSRC, the business rules of the Stock Exchanges, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 136 As a member of the Board of Directors, independent directors owe fiduciary obligations and duty of diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (I) to participate in board decision-making, and to express clear opinions on matters discussed;
- (II) to supervise matters involving potential significant conflicts of interest between the Company and its controlling shareholder(s), de facto controller(s), directors, and senior management, and to protect the legitimate rights and interests of minority shareholders;
- (III) to provide professional and objective advice on the Company's operation and development, promoting the improvement of the board's decision-making level;
- (IV) Other duties stipulated by laws, administrative regulations, the provisions of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 137 Independent directors shall exercise the following special powers:

- (I) to independently engage intermediaries to audit, consult on, or verify specific matters of the Company;
- (II) to propose to the Board of Directors to convene an extraordinary general meeting;
- (III) to propose to convene Board meetings;
- (IV) to legally solicit shareholder rights publicly from shareholders;
- (V) to express independent opinions on matters that may harm the interests of the Company or minority shareholders;
- (VI) Other powers stipulated by laws, administrative regulations, the provisions of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The exercise of the powers listed in items (I) to (III) of the preceding paragraph by independent directors shall be subject to the consent of more than half of all independent directors.

If independent directors exercise the powers listed in the first paragraph, the Company shall promptly disclose such information. If the aforementioned powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Article 138 The following matters shall be submitted to the Board of Directors for discussion only after obtaining the consent of more than half of all independent directors of the Company:

- (I) Connected transactions that ought to be disclosed;
- (II) Plans for the Company and related parties to change or waive commitments;
- (III) Decisions made and measures taken by the Board of Directors of an acquired listed company in response to an acquisition;
- (IV) Other matters stipulated by laws, administrative regulations, the provisions of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 139 The Company shall establish a special meeting mechanism exclusively involving independent directors. When the Board of Directors deliberates on connected transactions and other matters, they shall be pre-approved by a special meeting of independent directors.

The Company shall convene special meetings of independent directors on a regular or irregular basis. Matters listed in items (I) to (III) of the first paragraph of Article 137, and Article 138 of the Articles of Association shall be deliberated by a special meeting of independent directors.

Special meetings of independent directors may discuss other matters of the Company as needed.

Special meetings of independent directors shall be convened and presided over by an independent director jointly nominated by more than half of the independent directors. If the convener fails to perform or is unable to perform their duties, two or more independent directors may convene the meeting themselves and nominate a representative to preside.

Special meetings of independent directors shall prepare meeting minutes in accordance with regulations, and the opinions of independent directors shall be recorded in the minutes. Independent directors shall sign to confirm the meeting minutes.

The Company shall provide convenience and support for the convening of special meetings of independent directors.

Section 4 Special Committees under the Board of Directors

Article 140 The Board of the Company shall establish an Audit Committee to exercise the functions and powers of the supervisory committee as required by the Company Law. The company does not have a supervisor or a board of supervisors.

Article 141 The Audit Committee comprises no less than three members, which are required to be all non-executive directors. Among whom, independent Directors shall exceed half and a professional among the whom with expertise in accounting or financial management as required by the securities regulatory rules of the place where the Company's shares are listed shall serve as the convener (chairperson of the Audit Committee).

Article 142 The Audit Committee is responsible for reviewing the financial information of the Company and its disclosure, supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board for consideration after being approved by more than half of all members of the Audit Committee:

- (I) Disclosure of financial information in financial accounting reports and periodic reports, as well as internal control evaluation reports;
- (II) Hiring or dismissing the accounting firm engaged to carry out the audit of the Company;
- (III) Appointment or dismissal of the Company's financial controller;

- (IV) Changes in accounting policies, accounting estimates or corrections of material accounting errors for reasons other than changes in accounting standards;
- (V) Other matters provided for by laws, administrative regulations, provisions of the CSRC, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 143 The Audit Committee shall hold at least one meeting each quarter. An extraordinary meeting may be held when it is proposed by two or more members, or when it is deemed necessary by the convener. Meeting of the Audit Committee shall be held only if more than two-thirds of the members are present.

The resolutions made by the Audit Committee shall be passed by more than half of the members of the Audit Committee.

Voting on the resolutions of Audit Committee shall be one person, one vote.

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

The Board shall be responsible for formulating the Implementation Rules and Regulations for the Audit Committee of Shanghai Longcheer Technology Co., Ltd.

Article 144 The Board of the Company has established the Strategy and ESG Committee, the Nomination Committee, the Remuneration and Assessment Committee to perform their duties in accordance with the Articles of Association and the authorization of the Board, and the proposals of the special committees shall be submitted to the Board for review and decision. The Board is responsible for formulating work rules for special committees.

More than half of the members of the Nomination Committee and the Remuneration and Assessment Committee shall be independent directors and the same shall serve as conveners (chairperson of the committee).

Article 145 The Nomination Committee is responsible for formulating the criteria and procedures for selection of Directors and senior management, selecting and reviewing the candidates for Directors and senior management and their qualifications, and making recommendations to the Board on the following matters:

- (I) Nomination or appointment and removal of Directors;
- (II) Appointment or dismissal of senior management;
- (III) Other matters as stipulated by laws, administrative regulations, provisions of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the Board does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinion of the Nomination Committee and the specific reasons for its non-adoption in a resolution of the Board and disclose the same.

Article 146 The Remuneration and Assessment Committee is responsible for the formulation of standards for appraising and conducting evaluation of Directors and senior management, and the formulation and review of the remuneration decision mechanisms, decision-making processes, payment and cessation of payment recovery arrangements, and other remuneration policies and plans for Directors and senior management, and making recommendations to the Board on the following matters:

- (I) the remuneration of Directors and senior management;
- (II) the formulation or amendment of equity incentive schemes and employee stock ownership plans, and the granting of rights to incentive recipients and the achievement of conditions for the exercise of such rights by incentive recipients;
- (III) the arrangement of stock ownership plans for Directors and senior management in the event of a proposed spin-off of a subsidiary;
- (IV) other matters stipulated by laws, administrative regulations, provisions of the CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If the Board does not adopt or does not fully adopt the recommendations of the Remuneration and Assessment Committee, it shall record the opinion of the Remuneration and Assessment Committee and the specific reasons for its non-adoption in a resolution of the Board and disclose the same.

Article 147 The Strategy and ESG Committee is mainly responsible for conducting research and making recommendations on the Company's long-term development strategy, major investment decisions and ESG. It mainly performs the following responsibilities and powers:

- (I) To study and make recommendations on the long-term development strategy and plan of the Company;
- (II) To study and make recommendations on the Company's major investment and financing plans that should be approved by the Board as required by the Articles of Association;
- (III) To study and make recommendations on major capital operation and asset management projects that are required to be approved by the Board of Directors as stipulated in the Articles of Association;

- (IV) To study the Company's sustainable development and ESG strategies, objectives and significant matters, review and make recommendations on the Company's ESG-related reports;
- (V) To identify ESG risks and opportunities relevant to the Company, assess the impact of the risks and opportunities on the Company, and make recommendations to address the risks and opportunities;
- (VI) To study and make recommendations on other important matters that may affect the development of the Company;
- (VII) To inspect the implementation of the above matters;
- (VIII) To perform other duties as authorized by the Board.

CHAPTER VI SENIOR MANAGEMENT OFFICERS

Article 148 The Company has a general manager, who is determined to be appointed or dismissed by the Board.

The Company has several deputy general managers, who is determined to be appointed or dismissed by the Board.

The Company's general manager, deputy general manager, secretary to the Board, and financial controllers are senior management officers of the Company.

Article 149 The circumstances under which a person may not serve as a director and the provisions concerning the management system for resignations as mentioned in the Articles of Association shall also apply to senior management officers.

The directors' duties of loyalty and diligence as mentioned in the Articles of Association shall also apply to senior management officers.

Article 150 Any person who takes an administrative position other than a director or supervisor in the controlling shareholder of the Company shall not act as senior management officer of the Company.

The Company's senior management officer are only paid by the Company and are not paid by the controlling shareholder on behalf of the Company.

Article 151 The general manager is elected for a term of three years and may be re-appointed.

Article 152 The general manager is responsible to the Board and exercises the following powers:

- (I) preside over the Company's production, operation and management work, organize the implementation of Board resolutions, and report work to the Board;

- (II) organize and implement the Company's annual business plan and investment plan;
- (III) formulate a plan for the establishment of the Company's internal management organization;
- (IV) formulate the Company's basic management system;
- (V) formulate specific regulations of the Company;
- (VI) request the Board to appoint or dismiss the Company's deputy general manager and financial controller;
- (VII) decide on the appointment or dismissal of management personnel other than those who shall be appointed or dismissed by the Board;
- (VIII) other powers granted by the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the Board.

The general manager attends Board meetings. The general manager who is not a director has no voting rights on Board meetings.

Article 153 The general manager shall formulate the working rules of the general manager and submit them to the Board for approval before implementation.

Article 154 The working rules of the general manager shall include the following:

- (I) the conditions and procedures for convening, and participants of the general manager meetings;
- (II) the duties and responsibilities of the general manager and other members of the senior management;
- (III) the use of funds and assets of the Company, the authority to enter into material contracts and the systems for reporting to the Board;
- (IV) other matters deemed necessary by the Board.

Article 155 The general manager may resign prior to the expiry of his/her term of office. The resignation of the general manager shall be dealt with in accordance with the service contract entered into between the general manager and the Company.

Article 156 The deputy general manager shall be appointed or dismissed by the Board upon nomination by the general manager.

Article 157 The Company shall have a secretary to the Board, who is responsible for preparing for the general meeting and the Board meetings, keeping documents and shareholders' materials and handling matters relating to information disclosure.

The secretary to the Board shall abide by the relevant provisions of laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 158 Where a senior management officer causes damage to others in executing his/her office in the Company, the Company shall be liable for compensation. Where a senior management officer acts with intent or gross negligence, he/she shall also bear the liability for compensation.

Where a senior management officer violates any laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association in executing his/her office in the Company, causing losses to the Company, he/she shall be liable for compensation.

Article 159 Senior management officers of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders.

Where a senior management officer of the Company fails to perform his/her duties faithfully or violates the fiduciary duty, causing damage to the interests of the Company and other shareholders, he/she shall be liable for compensation in accordance with law.

CHAPTER VII FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial Accounting System

Article 160 The Company formulates its financial accounting system in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and regulations of relevant national departments.

Article 161 The Company shall submit its annual financial reports to the local branch of the CSRC and the stock exchanges within 4 months from the end date of each fiscal year and its interim financial reports to the local branch of the CSRC and the stock exchanges within 2 months from the end date of the first half of each fiscal year.

The aforesaid annual and interim reports shall be prepared in accordance with the relevant laws, administrative regulations as well as the provisions of CSRC, the securities regulatory rules of the place where the Company's shares are listed and the Stock Exchanges.

Article 162 In addition to the statutory accounting books, the Company will not maintain separate accounting books. The Company's funds are not stored in accounts opened in any individual's name.

Article 163 When the Company distributes after-tax profits for the year, it shall withdraw 10% of the profits and include them in the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, no further withdrawals may be made.

If the Company's statutory reserve fund is insufficient to make up for losses in previous years, it shall first utilize the current year's profits to make up for the losses before withdrawing the statutory reserve fund in accordance with the provisions of the preceding paragraph.

After the Company withdraws the statutory reserve fund from the after-tax profits, it can also withdraw the discretionary reserve fund from the after-tax profits upon resolution of the general meeting.

The remaining after-tax profits after the Company has made up for its losses and withdrawn the reserve fund shall be distributed according to the proportion of shares held by shareholders, unless the Articles of Association stipulated that distribution is not based on the proportion of shareholdings.

If the general meeting violates the provisions of the Company Law or the Articles of Association and distributes profits to shareholders, shareholders shall return the profits distributed in violation of the regulations to the Company; if losses are caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation.

The Company's shares held by the Company will not participate in the distribution of profits.

The Company shall entrust one or more collection agents in Hong Kong for H shareholders. The collection agent shall collect and keep the dividends distributed by the Company in respect of H Shares and other amounts payable on behalf of the relevant H shareholders, to make payments to such H shareholders. The collection agent appointed by the Company shall comply with the requirements of laws, regulations and the securities regulatory rules of the place where the Company's shares are listed.

Article 164 The Company's reserve fund is used to make up for the Company's losses, expand the Company's production and operations, or increase the Company's registered capital.

When the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and the statutory reserve fund should be utilized first; if it still fails to be made up, the capital reserve fund may be used in accordance with regulations.

When the statutory reserve fund is converted to increase the registered capital, the remaining reserve fund will not be less than 25% of the Company's registered capital prior to the conversion.

Article 165 After the general meeting passes a resolution on the profit distribution plan, or after the Board of the Company formulates a specific plan based on the conditions and upper limits for interim dividends approved at the annual general meeting for the following year, the distribution of dividends (or shares) shall be completed within two months upon such general meeting. If the specific plan cannot be implemented within 2 months due to the requirements of the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such requirements and the actual situation.

Article 166 The profit distribution policies of the Company are set out below:

(I) Profit Distribution Principle

The Company shall implement a sustainable and steady profit distribution policy. The Company's profit distribution shall focus on providing investors with reasonable investment returns as well as maintaining the sustainable development of the Company. The Company's profit distribution shall not exceed the range of the accumulated distributable profits or damage the Company's ability to operate.

(II) Profit Distribution Forms

The Company may distribute dividends in cash, in shares or in a combination of both cash and shares or as otherwise permitted by the laws and regulations, among which, cash dividends shall be the priority method of profit distribution.

(III) Decision-making Mechanism and Procedures for Profit Distribution

1. The Board shall take into account specific operating data, fully consider the profit level, cash flow, development stage and current capital requirements of the Company, and incorporate the opinions of shareholders (especially minority shareholders), independent directors and the Audit Committee, formulate an annual or interim profit distribution plan and implement it after it has been approved by voting at the general meeting of the Company.

When formulating specific plans for profit distribution, the Board shall study and identify with caution the timing, conditions and minimum proportion, conditions for adjustment and requirements for decision-making procedures involved in implementing the cash dividends. At the meetings of the Board and Audit Committee to consider the Company's profit distribution plans, they must be approved by more than half of the directors of the Board of the Company present, more than half of the independent directors, and more than half of the Audit Committee members present before submitting to the general meeting of the Company for consideration.

2. Independent directors may solicit the opinions of minority shareholders to put forward dividend proposals and submit them directly to the Board for consideration.
3. The profit distribution plan submitted to the company's shareholders meeting for deliberation shall be approved by more than 1/2 of the voting rights held by the shareholders attending the shareholders meeting; in the event that the Company distributes dividends in shares or in a combination of both cash and shares, such resolution shall be passed by the attending Shareholders representing above 2/3 voting rights.
4. Before the profit distribution proposal is considered at the shareholders general meeting, the Company shall communicate and exchange ideas through multiple channels with shareholders (minority shareholders in particular), take full account of the opinion and demands of minority shareholders, and give timely replies to issues that concern minority shareholders.

(IV) Interval of Profit Distribution

On the premise that the Company meets the conditions for cash dividends and ensure its normal production, operation and long-term development, it will, in principle, declare cash dividends once every year, and the Board may propose the interim dividend when feasible based on the scale of the Company's profitability, its liquidity, the stage of its development and its capital requirements.

(V) Circumstances of Cash Dividends

The realized distributable profit of the Company for the year (the profit after tax of the Company after recovery of losses and allocation to the reserve fund) is positive, and the cash dividend distribution will not affect the subsequent continuing operation of the Company.

(VI) Conditions for the Distribution of Share Dividends

In conjunction with the Company's production and operation, and based on the Company's cumulative distributable profits, provident funds and liquidity, the Company may distribute profits by way of share dividends provided that the Company's cash dividends, the size of the Company's share capital and the shareholding structure are reasonable. In determining the specific plan for the distribution of profits by share dividends, the Company shall give full consideration to whether the total share capital after the distribution of profits by share dividends is commensurate with the Company's scale of operation, the rate of growth of earnings, and the impact on the cost of bond financing in the future, so as to ensure that the plan for the distribution of profits is in line with the overall interests of all shareholders and the long-term interests of the Company. The dividend distribution plans shall be considered and approved by the Board and Audit Committee and submitted to the general meeting for consideration and approval.

(VII) Monitoring and Control Mechanism to Enhance Dividend Distribution Policy of the Company

1. In the event that a shareholder misappropriates the funds of the Company, the Company shall deduct the cash dividend distributable to such shareholder for recovery of the misappropriated funds;
2. The Audit Committee shall supervise the implementation of the Company's dividend distribution policy and shareholders' returns plan by the Board and the management, and the decision-making procedures thereof;
3. The Company shall root in protecting the interests of its shareholders and shall make extensive arguments and explain its reason when adjusting the profit distribution policy based on the external operating environment or its own operating conditions. The adjusted profit distribution policy shall be in line with laws, regulations, regulatory documents and relevant provisions of the CSRC and the stock exchanges of the place where the Company's shares are listed. The resolution to adjust the profit distribution policy must be submitted to the general meeting for approval after reviewed and approved by the Board; the resolution to adjust the profit distribution policy shall be approved by more than two-thirds of the voting rights held by the shareholders attending the general meeting, and the adjustment of the cash dividend policy shall be explained in detail in the Company's periodic report;
4. The Company shall disclose the formulation and implementation of the profit distribution plan and cash dividend policy in the periodic report in strict accordance with relevant regulations. If the Board of the Company does not propose to distribute profit in cash in the year when the Company realized profit in last accounting year, it shall state the reason why the profit is not distributed for the year and plan of use in respect of the undistributed capital reserved. Among which, the Company shall make special explanations on the following matters in its annual report:
 - (1) compliance with the Articles or resolutions of the general meeting;
 - (2) accuracy and clarity of dividend distribution plan;
 - (3) completeness of relevant decision-making procedures and systems;
 - (4) adequate opportunities for minority shareholders' opinions to be fully expressed and ample protection of the legal rights of minority shareholders.

If the Company does not distribute cash dividends or adjusts the ratio of cash dividends, it shall be considered and approved by more than two-thirds of the voting rights held by Shareholders present at the general meeting.

If there is any adjustment or change to the cash dividend policy, detailed descriptions shall be provided on the regulatory compliance and transparency regarding the conditions and procedures for such adjustment or change.

Section 2 Internal Audit

Article 167 The Company implements an internal audit system, which specifies the leadership system, responsibilities and authorities, personnel allocation, funding support, application of audit results and accountability for internal audit work.

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

Article 168 The internal audit agency of the Company shall supervise and inspect the business activities, risk management, internal control, financial information and other matters of the Company.

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

Article 169 The internal audit institution shall be accountable to the Board.

The internal audit institution shall accept the supervision and guidance from the Audit Committee in the course of supervising and inspecting the business activities, risk management, internal control and financial information of the Company. If the internal audit institution discovers relevant major issues or clues, it shall report directly to the Audit Committee immediately.

Article 170 The internal audit institution is responsible for the specific organization and implementation of the internal control evaluation of the Company. The Company issues the annual internal control evaluation report based on the evaluation report and relevant materials issued by the internal audit institution upon reviewed by the Audit Committee.

Article 171 When the Audit Committee communicates with external audit firms such as accounting firms and national audit agency, the internal audit institution shall actively cooperate and provide necessary support and collaboration.

Article 172 The Audit Committee participates in the evaluation of the person in charge of internal audit.

Section 3 Appointment of Accounting Firm

- Article 173** The Company engages an accounting firm that complies with the provisions of the Securities Law and the securities regulatory rules of the place where the Company's shares are listed to conduct accounting statement audits, net asset verification and other related consulting services. The appointment period is one year and can be renewed.
- Article 174** The Company's appointment and dismissal of an accounting firm shall be decided on the general meeting, and the Board may not appoint an accounting firm before a decision is made on the general meeting.
- Article 175** The Company guarantees to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information to the accounting firm engaged, and shall not refuse, conceal or make false statements.
- Article 176** The audit fees of an accounting firm are determined on the general meeting.
- Article 177** When the Company dismisses or no longer re-appoints the accounting firm, it must notify the accounting firm 30 days earlier in advance. When the Company's shareholders vote on the dismissal of the accounting firm, the accounting firm is allowed to state its opinions.

If an accounting firm proposes to resign, it shall explain to the general meeting whether there is any misconduct in the Company.

CHAPTER VIII NOTICE AND ANNOUNCEMENT

- Article 178** A notice of the Company shall be sent by the following means:
- (I) by hand;
 - (II) by mail;
 - (III) by announcement;
 - (IV) by any other means as approved by the securities regulatory authorities of the place where the Company's shares are listed or as specified in the Articles of Association.

For the purpose of the method for the Company to furnish and/or send any communications of the Company to shareholders of H Shares as required by the securities regulatory rules of the place where the Company's shares are listed, subject to the securities regulatory rules of the place where the Company's shares are listed, all communications of the Company may be sent or provided to such shareholders of H Shares through electronic means or posting such information on the website of the Company or stock exchanges.

- Article 179** Where a notice is issued by the Company by announcement, it shall be deemed as having been received by all relevant persons once it is announced.
- Article 180** Notice of the general meeting to be convened by the Company shall be given by announcement.
- Article 181** Notices of Board meetings convened by the Company shall be delivered by hand or by facsimile, mail, telephone or other means.
- Article 182** Where the notice is sent by person, the recipient shall sign (or seal) the receipt acknowledgement and the date of the signature of such recipient shall be the date of service; where the notice is sent by post, the fifth workday after the date of delivery to the post office shall be the date of service; where the notice is sent by fax, the date of the fax report printed by the fax machine of the Company indicating that the fax was successful shall be the date of service; where the notice is sent by e-mail, the date when the e-mail enters the e-mail system designated by the recipient shall be the date of service; where the notice is sent by telephone, the date on which the notification is made shall be the date of service; where the notice is sent by way of announcement, the date of the first announcement shall be the date of service.
- Article 183** Where a notice of a meeting is not issued to a person entitled to the notice or such a person fails to receive the notice for any accidental omission, the validity of the meeting and the resolutions of the meeting shall not be affected.
- Article 184** The Company shall designate the media in compliance with the conditions of the securities regulatory rules of the place where the Company's shares are listed and the Company's official website as the media for publishing the Company's announcements and other information required to be disclosed.

Save as otherwise specified in the context, in respect of the announcement sent to holders of A shares or required to be sent in China pursuant to relevant regulations and the Articles of Association, it refers to announcement published in the Shanghai Stock Exchange website and media that meet the requirements of the CSRC; in respect of the announcement sent to holders of H Shares or required to be sent in Hong Kong pursuant to relevant regulations and the Articles of Association, the announcement shall be published on the websites of the Company and the Hong Kong Stock Exchange and other websites specified by Hong Kong Listing Rules from time to time as relevantly required by the Hong Kong Listing Rules.

CHAPTER IX MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

- Article 185** Company mergers may take the form of mergers by absorption or mergers by new establishment.

When a company absorbs other companies, it is called a merger, and the absorbed company is dissolved. The merger of two or more companies to establish a new company is a new merger, and the merging parties are dissolved.

Article 186 If the price paid for the merger of the Company does not exceed 10% of the net assets of the Company, it may not be subject to a resolution of the general meeting, unless otherwise provided in the Articles of Association and the securities regulatory rules of the place where the Company's shares are listed.

Where the merger of the Company pursuant to the preceding paragraph is not subject to a resolution of the general meeting, it shall be subject to a resolution of the Board.

Article 187 If the Company merges, the merging parties shall sign a merger agreement and prepare a balance sheet and property list. The Company shall notify creditors within 10 days from the date of making the merger resolution and shall make an announcement within 30 days on statutory disclosure media such as Shanghai Securities News or the National Enterprise Credit Information Publicity System.

Creditors may require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

Article 188 If the Company merges, the claims and debts of the merging parties shall be inherited by the continuing company or the newly established company after the merger.

Article 189 If the Company is divided, its property will be divided accordingly.

If the Company is divided, a balance sheet and property list shall be prepared. The Company shall notify its creditors within 10 days from the date of making the separation resolution, and shall make an announcement within 30 days on statutory disclosure media such as Shanghai Securities News or the National Enterprise Credit Information Publicity System.

Article 190 The debts incurred before the Company is divided shall be jointly and severally liable by the Company after the division. However, this shall not be the case unless otherwise agreed upon in a written agreement between the Company and its creditors regarding debt settlement before the division.

Article 191 If the Company reduces its registered capital, it shall prepare a balance sheet and property list.

The Company shall notify creditors within 10 days from the date of the general meeting making the resolution to reduce the registered capital, and shall make an announcement within 30 days on statutory disclosure media such as Shanghai Securities News or the National Enterprise Credit Information Publicity System. Creditors have the right to require the Company to pay off debts or provide corresponding guarantees within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if no notice is received.

Where the Company reduces its registered capital, the amount of capital contribution or shares shall be reduced correspondingly in proportion to the shares held by its shareholders, unless otherwise provided by law or the Articles of Association.

Article 192 If the Company still has losses after making up for its losses in accordance with the provisions of paragraph 2 of Article 164 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not distribute to shareholders, nor may it exempt shareholders from their obligation to pay capital contributions or share payments.

If the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of Article 191 of the Articles of Association shall not apply, but announcements shall be made on statutory disclosure media such as Shanghai Securities News or the National Enterprise Credit Information Publicity System) within 30 days from the date when the general meeting makes a resolution to reduce the registered capital.

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

Article 193 Where the registered capital is reduced in violation of the Company Law or other relevant provisions, shareholders shall return funds received and the original state shall be restored if capital contributions from shareholders are reduced or exempted; if losses are caused to the Company, the shareholders and the responsible Directors and senior management shall be liable for compensation.

Article 194 When the Company issues new shares for increasing its registered capital, shareholders shall have no pre-emptive rights, unless otherwise provided in the Articles of Association or where the resolution of general meeting decides that shareholders are entitled to pre-emptive rights.

Article 195 If the Company is merged or divided and the registered items are changed, the registration of the change shall be carried out with the Company registration authority in accordance with the law; if the Company is dissolved, the registration of the cancellation of the Company shall be carried out in accordance with the law; if a new company is established, the registration of the establishment of such company shall be carried out in accordance with the law.

If the Company increases or decreases its registered capital, it shall apply for a registration of the change with the Company registration authority in accordance with the law.

Section 2 Dissolution and Liquidation of the Company

Article 196 The Company will be dissolved for the following reasons:

- (I) The business period stipulated in the Articles of Association expires or other reasons for dissolution stipulated in the Articles of Association occur;
- (II) The general meeting makes a resolution to dissolve;

- (III) Dissolution is required due to company merger or division;
- (IV) The business license has been revoked, it is ordered to close, or revoked in accordance with the law;
- (V) If the Company encounters serious difficulties in its operation and management, and its continued existence will cause heavy losses to the interests of shareholders, and cannot be solved through other means, shareholders holding more than 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

If the Company encounters the above-mentioned reasons for dissolution, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten days.

Article 197 Where the Company falls under the circumstances described in items (I) and (II) of the first paragraph of Article 196 of the Articles of Association and has not distributed its property to shareholders, the Company may amend its Articles of Association or pass a special resolution at a general meeting to continue its existence.

Any amendment made to the Articles of Association pursuant to the preceding paragraph or by resolution of the general meeting shall be adopted by no less than two-thirds of all voting shareholders in attendance at the relevant general meeting.

Article 198 Where the Company is to be dissolved pursuant to items (I), (II), (IV) and (V) of the first paragraph of Article 196 of the Articles of Association, it shall be liquidated. A liquidation committee shall be established within 15 days from the date when the event of dissolution occurs with the directors as the liquidation obligor of the Company.

The liquidation committee shall be composed of directors except where otherwise provided in the Articles of Association or the general meeting resolves to elect other persons.

If the liquidation obligor fails to perform its liquidation obligations in a timely manner and causes losses to the Company or its creditors, it shall be liable for compensation.

Article 199 The liquidation committee shall exercise the following powers during the liquidation period:

- (I) Clean up the Company's properties and prepare a balance sheet and property list respectively;
- (II) Notify and announce creditors;
- (III) Handle the Company's uncompleted businesses related to liquidation;

- (IV) Pay the taxes owed and the taxes incurred during the liquidation process;
- (V) Clear claims and debts;
- (VI) Distribute the Company's remaining property after paying off its debts;
- (VII) Participate in civil litigation activities on behalf of the Company.

Article 200 The liquidation committee shall notify creditors within 10 days from the date of establishment and shall publish an announcement on statutory disclosure media such as Shanghai Securities News or the National Enterprise Credit Information Publicity System within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the notice, or within 45 days from the date of announcement if the notice is not received.

When a creditor declares a creditor's right, he shall explain the relevant matters of the creditor's right and provide supporting materials. The liquidation committee shall register the claims.

During the period of reporting claims, the liquidation committee shall not make settlements with creditors.

Article 201 After cleaning up the Company's assets and preparing a balance sheet and property list, the liquidation committee shall formulate a liquidation plan and submit it to the general meeting or the people's court for confirmation.

The Company's property is the remaining property after paying liquidation expenses, employees' wages, social insurance fees and statutory compensation, paying taxes owed, and settling the Company's debts respectively, and the Company distributes the remaining property according to the proportion of shares held by shareholders.

During the liquidation period, the Company continues to exist, but it shall not carry out business activities unrelated to the liquidation.

The Company's property will not be distributed to shareholders before it is settled in accordance with the provisions of the preceding paragraph.

Article 202 After clearing the Company's property and preparing a balance sheet and property list, if the liquidation committee finds that the Company's property is insufficient to pay off its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the law.

After the people's court accepts the application for bankruptcy of the Company, the liquidation committee shall transfer the liquidation matters to the bankruptcy administrator designated by the people's court.

Article 203 After the Company's liquidation is completed, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation, and submit it to the Company registration authority to apply for cancellation of the Company registration.

Article 204 Members of the liquidation committee shall carry out liquidation responsibilities with their fiduciary obligations and duty of diligence.

Where a member of the liquidation committee causes losses to the Company due to negligence in performing liquidation duties, he/she shall be liable for damages suffered by the Company, or where the member causes losses to the Company or the creditors by reason of willful or gross misconduct, he/she shall be liable for compensation.

Article 205 Where the Company is declared bankrupt according to law, bankruptcy liquidation shall be conducted in accordance with the law on enterprise bankruptcy.

CHAPTER X AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 206 Under any of the following circumstances, the Company will amend the Articles of Association:

- (I) After the Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed are revised, the matters stipulated in the Articles of Association contradict with the provisions of the revised laws, administrative regulations, or securities regulatory rules of the place where the Company's shares are listed;
- (II) The Company's situation changes and is inconsistent with the matters recorded in the Articles of Association;
- (III) The general meeting makes a decision to amend the Articles of Association.

Article 207 If the amendments to the Articles of Association passed by the resolution of the general meeting should be reviewed and approved by the competent authority, they must be reported to the competent authority for approval; if such amendments involve Company registration matters, the registration of the amendments shall be handled in accordance with the law.

Article 208 The Board shall modify the Articles of Association in accordance with the resolution of the general meeting on modifying the Articles of Association and the approval opinions of relevant competent authorities.

Article 209 Matters concerning the amendment to the Articles of Association which are information required to be disclosed by applicable laws and regulations or the securities regulatory rules of the place where the Company's shares are listed shall be announced as required.

CHAPTER XI SUPPLEMENTARY PROVISIONS

Article 210 Definitions

- (I) A controlling shareholder refers to a shareholder who holds more than 50% of the total share capital of the Company, or a shareholder who, despite its shareholding being less than 50% of the total share capital of the Company, has sufficient voting rights carried on its shareholding to exert significant impact on the resolution of the general meeting.
- (II) A de facto controller refers to a natural person, legal person or other organization who is able to actually govern the behavior of the Company through investment relations, agreements or other arrangements.
- (III) A related relationship refers to the relationship between the Company's controlling shareholders, de facto controllers, Directors, or senior management and the enterprise(s) directly or indirectly controlled by them, as well as any other relationship that may lead to the transfer of the Company's interests. However, enterprises under state control shall not be deemed to have a related relationship solely because they are controlled by the same state entity.
- (IV) A related party refers to the related party as defined in the Shanghai Stock Exchange Stock Listing Rules and the "connected persons" as defined in the Hong Kong Listing Rules; the meaning of "related relationship" in the Articles of Association includes the "connected relationship" as defined in the Hong Kong Listing Rules; the meaning of "related transaction" includes the "connected transaction" as defined in the Hong Kong Listing Rules.
- (V) In the Articles of Association, "accounting firm" has the same meaning as "auditor" in the Hong Kong Listing Rules; "independent director" has the same meaning as "independent non-executive director" in the Hong Kong Listing Rules.
- (VI) Save as otherwise specified in the context, the "announcement" as mentioned in the Articles of Association, in respect of the announcement sent to holders of A shares or required to be sent in China pursuant to relevant regulations and the Articles of Association, it refers to information published in the Shanghai Stock Exchange website and media that meet the requirements of the CSRC; in respect of the announcement sent to holders of H Shares or required to be sent in Hong Kong pursuant to relevant regulations and the Articles of Association, the announcement shall be published on the websites of the Company and the Hong Kong stock exchange and other websites specified by Hong Kong Listing Rules from time to time as relevantly required by the Hong Kong Listing Rules.

- Article 211** The Board may formulate by-laws in accordance with the provisions of the Articles of Association, provided that such by-laws shall not be in violation of the Articles of Association.
- Article 212** The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association and those in any other languages or of different versions, the latest Chinese version of the Articles of Association registered with the Administration for Market Regulation of Shanghai Municipality shall prevail.
- Article 213** For the purpose of the Articles of Association, the terms “not less than”, “within” are all inclusive terms, while “over”, “beyond”, “below”, and “more than” are exclusive terms.
- Article 214** Matters not covered in the Articles of Association shall be executed according to the relevant provisions under laws, administrative regulations, departmental rules, regulatory documents, provisions of the CSRC and the securities regulatory rules of the place where the Company’s shares are listed. Should the provisions of the Articles of Association be inconsistent with the provisions of laws, regulations, departmental rules and regulatory documents promulgated or amended by the State later, they shall be executed in accordance with relevant provisions under laws, administrative regulations, departmental rules, regulatory documents, provisions of the CSRC and the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association shall be amended in a timely manner.
- Article 215** The power of interpretation of the Articles of Association shall be vested in the Board of the Company.
- Article 216** The rules of procedures for the general meetings and Board meetings are enclosed with the Articles of Association as appendices.
- Article 217** The Articles of Association, upon consideration and approval at the general meeting, became effective and came into effect on the date on which the first issuance of H Shares by the Company was listed on the Hong Kong Stock Exchanges and Clearing Limited.