
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Shandong Weigao Group Medical Polymer Company Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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山東威高集團醫用高分子製品股份有限公司
Shandong Weigao Group Medical Polymer Company Limited *
(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1066)

(1) PROPOSED ADOPTION OF THE 2025 H SHARE INCENTIVE SCHEME
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
(3) PROPOSED INTERIM DIVIDEND
(4) PROPOSED REAPPOINTMENT OF DIRECTOR
AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING

The notice convening the Extraordinary General Meeting of the Company to be held at 2/F., 1 Weigao Road, Torch Hi-tech Science Park, Weihai, Shandong Province, the People's Republic of China (the "PRC") at 9:00 a.m. on Friday, 17 October 2025 are set out on pages 138 to 142 of this circular.

Whether or not you are able to attend the meeting, you are strongly urged to complete and sign the enclosed forms of proxy in accordance with the instructions printed thereon and please return it to the Company's H Share registrar, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

2 October 2025

* For identification purpose only

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DEFINITIONS

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

“2025 H Share Incentive Scheme”	the “2025 H Share Incentive Scheme” to be proposed for adoption by the Company at the EGM, a summary of which is set out in Appendix I to this circular
“Adoption Date”	the date on which the Company adopted the 2025 H Share Incentive Scheme
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associate”	has the meaning ascribed thereto under the Listing Rules
“Award Share(s)”	in respect of a Selected Participant, such number of H Shares as awarded to him/her by the Board
“Board”	the board of Directors
“Business Days”	the days, excluding Saturdays, Sundays or public holidays, on which the Hong Kong Stock Exchange is open for trading and banks in Hong Kong are generally open for business
“Company”	Shandong Weigao Group Medical Polymer Company Limited* (山東威高集團醫用高分子製品股份有限公司), a joint stock limited company incorporated in the PRC with limited liability
“Company Law”	Company Law of the PRC
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Directors”	the directors of the Company
“Domestic Shares”	non-listed domestic shares of RMB0.10 each in the share capital of the Company
“Eligible Participant(s)”	any individual being an Employee Participant at any time during the period of the 2025 H Share Incentive Scheme
“Employee Participant(s)”	Directors (excluding independent non-executive Directors), supervisor and employees (including full-time employees and part-time employees) of the Group (including persons who are granted awards under the 2025 H Share Incentive Scheme as an inducement to enter into employment contracts with these companies)
“Excluded Participant(s)”	any Eligible Participant who is resident in a place where the grant of an Award Share and/or the vesting and transfer of the Award Shares pursuant to the terms of the 2025 H Share Incentive Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held on Friday, 17 October 2025 at 9:00 a.m. at 2/F., 1 Weigao Road, Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC, notice of which is set out on pages 138 to 142 of this circular
“First Batch Proposed Amendments”	has the meaning as defined in the section headed “3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION” in this circular
“Grant”	the grant of Award Shares to an Eligible Participant
“Grant Date”	the date (which shall be a Business Day) on which the Grant is made to an Eligible Participant, being the date of the Letter of Grant

DEFINITIONS

“Group”	the Company and its subsidiaries
“H Shares”	the overseas-listed foreign invested shares in the share capital of the Company, with a nominal value of RMB0.10 each, which are held and traded in Hong Kong dollars
“H Share Full Circulation”	the proposed conversion of 48,300,000 Domestic Shares held by the Participating Shareholders into H Shares and the listing of such H Shares on the Main Board of the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 September 2025, being the latest practicable date for ascertaining certain information contained in this circular prior to its publication
“Letter of Grant”	the written instrument setting out the details of the Award Shares granted and the conditions for the grant of such Award Shares
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Participating Shareholder(s)”	holder(s) of Domestic Shares who participate(s) in the proposed H Share Full Circulation
“Previous Share Award Scheme”	the share award scheme of the Company adopted on 17 November 2014 and expired on 16 November 2024
“Proposed Amendments”	the proposed amendments to the Articles of Association, details of which are set out in Appendix II to this circular

DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the total number of H Shares which may be issued or transferred out of treasury H Shares in respect of all awards and Award Shares to be granted under the 2025 H Share Incentive Scheme
“Scheme Rules”	rules of the 2025 H Share Incentive Scheme
“Second Batch Proposed Amendments”	has the meaning as defined in the section headed “3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION” in this circular
“Selected Participant(s)”	Eligible Participant(s) selected by the Board pursuant to the Scheme Rules for participation in the 2025 H Share Incentive Scheme (or his/her legal personal representative or lawful successor as the case may be)
“Share(s)”	issued shares of the Company, comprising both H Shares and Domestic Shares
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Batch Proposed Amendments”	has the meaning as defined in the section headed “3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION “ in this circular
“treasury share(s)”	has the meaning ascribed to it under the Listing Rules
“Trust”	any trust to be constituted for the purpose of administering the 2025 H Share Incentive Scheme

DEFINITIONS

“Trustee”	in respect of the 2025 H Share Incentive Scheme, any trustee to be appointed to hold H Shares under the 2025 H Share Incentive Scheme, who shall be independent from the Company and its connected persons. It is expected that none of the Directors of the Company will have a direct or indirect interest in the trustee
“Weigao Holding”	Weigao Holding Company Limited* (威高集團有限公司), a company established under the laws of the PRC with limited liability and a controlling shareholder of the Company, holding approximately 46.16% of the total issued share capital of the Company (excluding treasury shares) as at the Latest Practicable Date
“%”	per cent.

LETTER FROM THE BOARD



山東威高集團醫用高分子製品股份有限公司
Shandong Weigao Group Medical Polymer Company Limited *

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

(Stock Code: 1066)

Executive Directors:

Mr. Long Jing (*Chairman*)
Mr. Cong Rinan (*Chief Executive Officer*)
Mr. Lu Junqiang
Mr. Wang Daoming

Principal place of business in the PRC:

1 Weigao Road
Torch Hi-tech Science Park
Weihai
Shandong Province
China

Non-executive Directors:

Ms. Yan Xia (*Vice Chairman*)
Mr. Chen Lin
Mr. Tang Zhengpeng

*Principal place of business
in Hong Kong:*

29/F., Two Chinachem Central
26 Des Voeux Road Central
Hong Kong

Independent non-executive Directors:

Mr. Li Guohui
Mrs. Meng Hong
Mr. Li Qiang
Mr. Sun Heng

2 October 2025

To Shareholders

Dear Sir or Madam,

(1) PROPOSED ADOPTION OF THE 2025 H SHARE INCENTIVE SCHEME
(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
(3) PROPOSED INTERIM DIVIDEND
(4) PROPOSED REAPPOINTMENT OF DIRECTOR
AND
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) the proposed adoption of the 2025 H Share Incentive Scheme; (ii) the proposed amendments to the Articles of Association; (iii) the proposed interim dividend; (iv) further information on the resolutions to be proposed at the EGM; and (v) a notice convening the EGM.

* For identification purpose only

LETTER FROM THE BOARD

2. THE 2025 H SHARE INCENTIVE SCHEME

The Board has resolved to propose the adoption of the 2025 H Share Incentive Scheme for the approval by the Shareholders. In approving the proposed adoption of the 2025 H Share Incentive Scheme, the Board has considered factors including the Group's needs to attract, motivate and retain talents. The Company will purchase existing H Shares, or instruct the Trustee to purchase H Shares (either on-market or off-market), and/or transfer treasury Shares out of treasury to the Trustee, as underlying Shares for the purpose of the 2025 H Share Incentive Scheme. The Company intends to utilise its treasury shares to fulfill the grants under the 2025 H Share Incentive Scheme. Treasury shares to be utilised for the 2025 H Share Incentive Scheme will be H Shares repurchased by the Company pursuant to the repurchase mandate granted by the Shareholders from time to time. In the event that the Company does not have sufficient treasury shares to satisfy the grants, the Company may also satisfy the grants by other means as provided under the 2025 H Share Incentive Scheme. The 2025 H Share Incentive Scheme will be valid for ten (10) years from the Adoption Date. A summary of the principal terms of the 2025 H Share Incentive Scheme is set out in Appendix I to this circular.

As of the Latest Practicable Date, the Company:–

- (i) did not operate any share schemes governed under Chapter 17 of the Listing Rules;
- (ii) had a total of 21,842,000 treasury shares; and
- (iii) did not have any intention or plan to grant any award under the 2025 H Share Incentive Scheme.

Details of outstanding share awards granted under the Previous Share Award Scheme as at the Latest Practicable Date are set out below:

Name of grantee	Date of grant	Number of share awards	
		Exercisable as at the Latest Practicable Date	Subscription price upon grant (RMB)
Directors			
Mr. Long Jing	11/12/2015 (batch 1)	480,000	2.2
	24/12/2021 (batch 2)	4,800,000	3.58
Mr. Cong Rinan	11/12/2015 (batch 1)	200,000	2.2
	24/12/2021 (batch 2)	1,600,000	3.58
Mr. Wang Daoming	24/12/2021 (batch 2)	400,000	3.58
Other Eligible Participants			
employees	11/12/2015 (batch 1)	430,000	2.2
	24/12/2021 (batch 2)	31,840,000	3.58

LETTER FROM THE BOARD

Notes:

1. With respect to batch 1 of the share awards granted in 2015, a total of 1,110,000 Shares were exercisable as at the Latest Practicable Date. Such Shares, together with (i) 8,812,000 Shares that were repurchased by the trustee upon exercise by the directors and employees; and (ii) 4,534,000 Shares that were lapsed and retained by the trustee pursuant to the Previous Share Award Scheme, represents the total outstanding incentive Shares of 14,456,000 held by the trustee for the benefit of the Previous Share Award Scheme (batch 1).
2. The number of share awards and the Shares are calculated on a 1:1 basis (i.e. 1 share award = 1 Share).

Adoption of the 2025 H Share Incentive Scheme is conditional upon the passing of the special resolution by the Shareholders at the EGM to approve and adopt the 2025 H Share Incentive Scheme.

A copy of the Scheme Rules will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at <http://www.weigaogroup.com> for a period of not less than 14 days before the date of the EGM and will also be made available for inspection at the EGM.

Summary of the principal terms of the 2025 H Share Incentive Scheme

Purpose

The purpose of the 2025 H Share Incentive Scheme is to:

- (i) attract and retain Eligible Participants whose contributions are important to the long-term growth and success of the Group, to recognize and reward Eligible Participants for their past contribution to the Group;
- (ii) encourage Eligible Participants to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole;
- (iii) enhance the Company's long-term remuneration incentive strategy; and
- (iv) to align the interests of the Eligible Participants with those of the Company and the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

LETTER FROM THE BOARD

Participants and Basis of Determining Eligibility

Eligible Participants

Subject to the Scheme Rules, the Board may, from time to time, at its absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the 2025 H Share Incentive Scheme as a Selected Participant, and grant Award Shares to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its absolute discretion determine.

There are two types of awards that may be granted under the 2025 H Share Incentive Scheme: two-year award and one-year award. Basic information of these two types of awards is set out below:

Award type	Grantee	Award Price
2-year award	Middle and back office staff, core key talents and specially hired talents	To be determined by the management authorized by the Board and approved by the Remuneration Committee
1-year award	Sales executives and sales personnel	To be determined by the management authorized by the Board and approved by the Remuneration Committee

Any such award price may be determined by the management authorized by the Board taking into factors including the current closing price of the H Shares, the purpose of the award, and the characteristics and profile of the Selected Participants.

In assessing the eligibility of Employee Participants, the Board will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate, including:

- (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (ii) the length of service within the Group;
- (iii) the individual contribution or potential contribution to the development and growth of the Group;

LETTER FROM THE BOARD

- (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success;
- (v) for existing employee having a management role, the contribution of the department in which the employee works to the long-term operation and development of the Group; and
- (vi) for new joining employee, his/her position shall be key position such as senior management, middle-level management, core business and/or technical backbones of the Group, and the potential important influence and positive contributions are expected to be brought by the relevant individual to the Group's long-term development.

Disqualified Participants

No person shall be considered as an Eligible Participant if he/she, at the Grant Date:

- (i) has been publicly reprimanded or deemed as an inappropriate candidate for similar award schemes or share incentive plans of a listed company by any authorized securities regulatory bodies in the last 12 months;
- (ii) has been imposed with penalties or punishment by any authorized securities regulatory bodies for major violations of laws and regulations within the last 12 months;
- (iii) is prohibited from serving as a director or senior manager of the Company as stipulated by the Company Law or the Listing Rules;
- (iv) is prohibited by laws and regulations to participate in the 2025 H Share Incentive Scheme;
- (v) any other circumstances that seriously violate the relevant regulations of the Group or cause major damage to the interests of the Group as determined by the Board; or
- (vi) any other circumstances required by the Board to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the 2025 H Share Incentive Scheme.

LETTER FROM THE BOARD

Disqualification of Selected Participants

In the event that prior to or on the vesting date, if a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Award Shares made to such Selected Participant shall automatically lapse and the relevant Award Shares shall not vest on the relevant vesting date and will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

Such Excluded Participant or such Selected Participant who is deemed to cease to be an Eligible Participant shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include the following:

- (i) dismissal by the Company due to serious damage to the Company's interests, disclosure of the Company's commercial secrets, breach of the Company's confidentiality agreement and breach of the labour contract or the Company's rules and regulations, or serious violation of laws and discipline;
- (ii) refusing to return or destroy the materials and resources of the Company when leaving the Company;
- (iii) engaging in or soliciting others to engage in business activities that are the same as, similar to or competitive with the Company's business, or holding a position in such entities;
- (iv) colluding with the Company's competitors, seizing the Company's business opportunities and causing material adverse effect on the interests of the Company;
- (v) where such person has convicted of any criminal offense; or
- (vi) where such person is convicted of or held liable for any offence under the SFO or other Hong Kong securities laws or regulations or any other applicable laws or regulations in force from time to time or breaches the relevant ordinance, laws and regulations.

LETTER FROM THE BOARD

If a Selected Participant's employment or services are terminated for any reason other than those stated above (a "**Bona Fide Former Employee**"), any unvested Award Shares granted to the Bona Fide Former Employee will lapse on the date of termination of service with the Group. In the event of (i) retirement according to applicable laws and regulations and the Company's policies, or (ii) death, physical or mental disability or incapacity caused by force majeure factors of the Bona Fide Former Employee, the Board has absolute discretion to determine whether the unvested Award Shares will continue to vest according to the original vesting schedule, while if no such determination is reached by the Board, such unvested Award Shares shall be regarded as having lapsed. The Board considers that such arrangements ensure that the Eligible Participant would be devoted to his/her commitment to the Group during the term of employment as his/her Award Shares may continue to vest according to the original vesting schedule, fostering a sense of ownership and long-term engagement, which align with the purpose of the 2025 H Share Incentive Scheme, where the Award Shares are intended to be granted to the Eligible Participant to reward his/her past contributions to the Group.

The Board considers that the Eligible Participants, including full-time employees and part-time employees, will share the same interests and objectives with the Group upon the grant of Award Shares, which is in turn beneficial to the long-term development of the Group. Inclusion of the Eligible Participants in the 2025 H Share Incentive Scheme will enable the Group to attract and retain quality and motivated employees by aligning their interest with the Group's development. In addition, the Board considers that it is in line with modern commercial practice that both full-time employees and part-time employees be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole. Based on the above, the Board (including the independent non-executive Directors) is of the view that the inclusion of the Employee Participants in the 2025 H Share Incentive Scheme, and the basis of determining their respective eligibility, are in line with the purpose of the 2025 H Share Incentive Scheme, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Scheme Mandate Limit

Subject to the Scheme Rules, the total number of H Shares which may be issued (including transfer of treasury shares out of treasury) in respect of all options and awards to be granted under the 2025 H Share Incentive Scheme and any other share scheme(s) adopted by the Company must not exceed 4.5% of the total number of issued Shares (excluding treasury shares) as at the Adoption Date. As of the Latest Practicable Date, the Company did not have any other existing share scheme subject to the forgoing limit. For the avoidance of doubt, under the 2025 H Share Incentive Scheme, the Scheme Mandate Limit is applicable to the grant of Award Shares to be satisfied by both the transfer of treasury shares and/or existing H Shares.

As at the Latest Practicable Date, the number of total issued shares of the Company was 4,548,790,324, comprising 4,500,490,324 H Shares (but excluding 21,842,000 treasury shares) and 48,300,000 Domestic Shares. Assuming there is no change to the number of issued Shares from the Latest Practicable Date to the date of the EGM, a total of 204,695,564 H Shares may be issued (including transfer of treasury shares out of treasury) in respect of all awards and Award Shares to be granted under the 2025 H Share Incentive Scheme.

Vesting period

The vesting period for the Award Shares shall not be less than 12 months. The Directors are of the view that a vesting period of no less than 12 months would allow the Group to promote long-term commitment and stability among Eligible Participants, which aligns with the purpose of the 2025 H Share Incentive Scheme.

Performance targets

Subject to the provisions of the Scheme Rules, the Board and/or its authorized persons, may, from time to time, at their sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the 2025 H Share Incentive Scheme as a Selected Participant, and grant Award Shares to any Selected Participant at such consideration and subject to such terms and conditions as the Board and/or its authorized persons may in their sole and absolute discretion determine. The Board and/or its authorized persons are entitled to impose any conditions, as it deems appropriate in their sole and absolute discretion with respect to the vesting of the Award Shares to the Selected Participant, including but not limited to the vesting based on the performance assessment of the company where the Selected Participant is employed and the individual performance evaluation results of the Selected Participant. Performance targets will be set forth in the applicable Letter of Grant but not specified under the Scheme Rules.

LETTER FROM THE BOARD

The performance targets will be linked to the individual Employee Participant and/or the Group as a whole or to a subsidiary (if established), department, division, region, function or business unit, line of business, project or individual key performance indicators, which may include corporate sustainability parameter and discipline and responsibility. In addition, the performance targets of certain individual Employee Participants may be linked to sales performance (e.g. revenue) and financial performance (e.g. profits, cash flow). The Remuneration Committee can propose other performance targets to be stated in the Letter of Grant to the Board from time to time. The Remuneration Committee will conduct assessment from time to time by comparing the performance with the pre-set targets, past or current performance or comparison to internal targets or industry performance, to determine whether such targets and the extents to which have been met.

The Directors are of the view that it is not practicable to expressly set out a generic set of performance targets in the Scheme Rules, as each Selected Participant will play different roles and contribute in different ways to the Group. The Board shall have regard to the purpose of the 2025 H Share Incentive Scheme in making such determinations and ensure that appropriate specific performance targets will be set under particular circumstances of the relevant Selected Participant(s).

Clawback Mechanism

In any of the following circumstances, the Board would, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Award Shares:

- (i) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his/her employment or engagement by any member of the Group;
- (ii) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his/her duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group after the Selected Participant ceases to be an Eligible Participant; or
- (iv) there has been a material misstatement to the Company's financial statement.

LETTER FROM THE BOARD

By allowing the Company to impose such performance targets and/or clawback mechanism on a case by case basis, the Board (including the independent non-executive Directors) considers the Company will be in a better position to retain such Eligible Participants to continue serving the Company and to provide incentives to such Eligible Participants in achieving the goals of the Group, which align with the purpose of the 2025 H Share Incentive Scheme. The Board is of the view that the terms of 2025 H Share Incentive Scheme (including the terms on the imposition of performance targets and clawback mechanism) align with the purpose of the 2025 H Share Incentive Scheme.

3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 29 September 2025 in relation to, among others, the Proposed Amendments. The Proposed Amendments will, among other things, (i) bring the existing Articles of Association in line with the Company Law which took effect from 1 July 2024 and the provisions under the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) issued by the CSRC on 28 March 2025, and other relevant laws, regulations, rules and normative documents; (ii) provide the Company with flexibility to purchase or acquire Shares to be held as treasury shares, in view of the amendments to the Listing Rules relating to treasury shares which took effect on 11 June 2024; (iii) align the existing Articles of Association with the recent amendments to the Listing Rules in relation to the further expansion of paperless listing regime, which require issuers to ensure that their constitutional documents enable them to hold hybrid shareholders' meetings and provide electronic voting; (iv) make other consequential and house-keeping amendments in relation to items (i) to (iii) above; and (v) reflect the change in share capital structure of the Company following the completion of the H Share Full Circulation and to make the consequential and relevant house-keeping amendments (collectively, the **"Proposed Amendments"**).

The Board is of the view that the Proposed Amendments are in the interests of the Company and the Shareholders as a whole.

The Proposed Amendments to articles 65, 112 and 135 for the purpose of aligning the existing Articles of Association with the recent amendments to the Listing Rules in relation to the further expansion of paperless listing regime, as set out in items (iii) and (iv) (to the extent related to item (iii)) above (the **"First Batch Proposed Amendments"**) are subject to the approval by the Shareholders by way of a special resolution at the EGM. If approved by the Shareholders at the EGM, the Articles of Association incorporating the First Batch Proposed Amendments will take effect immediately upon conclusion of the EGM.

The Proposed Amendments (other than (i) the First Batch Proposed Amendments; and (ii) the Proposed Amendments to article 25 in relation to the H Share Full Circulation) (the **"Second Batch Proposed Amendments"**) are subject to the approval by the Shareholders by way of a special resolution at the EGM. If approved by the Shareholders at the EGM, the Articles of Association incorporating both the First Batch Proposed Amendments and the Second Batch Proposed Amendments will take effect immediately upon conclusion of the EGM.

The Proposed Amendments to article 25 in relation to the H Share Full Circulation (the **"Third Batch Proposed Amendments"**) are subject to (a) the approval by the Shareholders by way of a special resolution at the EGM; (b) the approval from, and registration and filing with, the relevant government authorities of the PRC; and (c) completion of the H Share Full Circulation. If approved by the Shareholders at the EGM, the Articles of Association incorporating all the Proposed Amendments will take effect upon the latest of (i) the conclusion of the EGM, (ii) the registration and filing with the relevant PRC authority, and (iii) the completion of the H Share Full Circulation.

LETTER FROM THE BOARD

The above three batches of Proposed Amendments will be subject to Shareholders' approval by way of separate special resolutions at the EGM.

The details of the Proposed Amendments are set out in Appendix II to this circular. The Articles of Association is written in Chinese without an official English version. Therefore, any English translation is for reference only. In case of inconsistency, the Chinese version shall prevail.

4. PROPOSED INTERIM DIVIDEND

According to the Company's dividend policy and the relevant provisions of the Articles of Association, the Board proposed the profit distribution plan of the Company for the six months ended 30 June 2025, to propose the payment of an interim cash dividend of RMB0.0969 per Share (before tax) for the six months ended 30 June 2025 (six months ended 30 June 2024: RMB0.0919 per Share). The profit distribution plan had been considered and approved by the Board on 27 August 2025, and is hereby submitted to Shareholders for consideration and approval at the EGM.

If the abovementioned profit distribution plan is approved by Shareholders at the EGM, the proposed cash dividend shall be paid on or before Friday, 21 November 2025 to the Shareholders whose names appear on the register of the members of the Company on Friday, 24 October 2025. Dividends shall be paid in RMB for Domestic Shares whereas dividends shall be denominated in RMB and paid in HKD for H Shares (the exchange rate for RMB to HKD shall be calculated based on the average selling price for conversion for RMB to HKD released by the People's Bank of China for a calendar week before the date of the EGM). Specific arrangements for the payment of the interim dividends for the six months ended 30 June 2025 (including the arrangements of withholding and payment of income tax) are as follows:

Information to the Shareholders

(1) Domestic Shareholders

For enterprise Domestic Shareholders:

The Company will not withhold or pay any income tax for domestic enterprise Shareholders in accordance with the applicable provisions of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation regulations. They are required to pay their own income tax. The interim dividend for Domestic Shareholders without affirmed ownership will be kept temporarily by the Company and will be distributed once their ownership has been confirmed.

LETTER FROM THE BOARD

For individual Domestic Shareholders:

The Company will pay the interim dividend for the six months ended 30 June 2025 while withhold and pay the individual income tax at the rate of 20% for Shareholders who are natural persons and whose names appear on the register of members for the Domestic Shares on Friday, 24 October 2025 according to the applicable provisions of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》).

(2) H Shareholders

The Company will not process any registration of transfers of H Shares from Thursday, 23 October 2025 to Friday, 24 October 2025 (both days inclusive). In order to be entitled to the interim dividend for the six months ended 30 June 2025, H Shareholders shall deliver the share certificates accompanied by the transfer documents to the Company's H Share registrar Tricor Investor Services Limited not later than 4:30 p.m. on Wednesday, 22 October 2025.

For Enterprise H Shareholders:

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) which came into effect on January 1, 2008 and its implementation regulations and other relevant rules, the Company is required to withhold enterprise income tax at the rate of 10% before distributing the interim dividend to nonresident enterprise Shareholders as appearing on the register of members for H shares. Any H shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups or organizations will be treated as being held by non-resident enterprise Shareholders, whose dividends entitled shall be subject to the withholding of the enterprise income tax.

LETTER FROM THE BOARD

For Individual H Shareholders:

According to regulations of the State Administration of Taxation (Guo Shui Han [2011] No. 348) (《國家稅務總局國稅函([2011]348號)》) and the Administrative Measures for Non-Resident Taxpayers to Enjoy Treaty Benefits (Announcement No. 35 [2019] of the State Administration of Taxation) (“**Tax Convention Announcement**”) (《非居民納稅人享受協定待遇管理辦法》) (國家稅務總局公告[2019]35號), the Company is required to withhold and pay individual income tax when distributing dividends to individual H Shareholders. However, the individual H Shareholders may be entitled to relevant tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong or Macau. In this regard, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax for the individual H Shareholders:

- for individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of the interim dividend.
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of interim dividend. If relevant individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, they should submit the required written power of attorney and all submission materials to the Company and collect and retain relevant information themselves for future inspection. The Company will handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the Tax Convention Announcement. The Company will then submit the above documents to competent tax authorities and, after their review and approval, the Company will assist in refunding the excess amount of tax withheld and paid.

LETTER FROM THE BOARD

- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of interim dividend.
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of interim dividend.

(3) Hong Kong Stock Connect Shareholders

Pursuant to the relevant requirements under the Notice on the Tax Policies

Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) 《(關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號))》, which came into effect on 17 November 2014, for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on their behalf. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax on dividends for domestic enterprise investors. Those domestic enterprise investors shall file and pay the relevant tax themselves while for the dividend and bonus income received by domestic resident enterprises from holding H shares for 12 consecutive months, enterprise income tax shall be exempted according to law.

LETTER FROM THE BOARD

Pursuant to the relevant requirements under Notice on Relevant Taxation Policies

Concerning the Pilot Interconnected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (Cai Shui [2016] No. 127) 《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》 promulgated on December 5, 2016, for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on their behalf. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors; and for dividends received by domestic enterprise investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen Hong Kong Stock Connect, the company of such H shares shall not withhold and pay the income tax on their behalf and the domestic enterprise investors shall file tax returns themselves while for the dividend and bonus income obtained by domestic resident enterprises from holding of H share for 12 consecutive months, enterprise income tax shall be exempted accordingly to law.

Pursuant to the Notice on Relevant Taxation Policies Concerning Interim Income

Tax Exemption for Profit Distribution Received and Utilized by Foreign Investors for Direct Investment (Cai Shui [2017] No. 88) 《關於境外投資者以分配利潤直接投資暫不徵收預提所得稅政策問題的通知(財稅[2017]88號)》, which came into effect on 1 January 2017, for profits distributed to foreign investors by domestic resident enterprises, where such profits are utilized to directly invest in qualified encouraging investment projects, deferred tax collection policies shall be applicable and income tax temporarily exempted thereby. Qualified non-resident enterprises Shareholders proposed to apply for the application of this tax policy shall, in accordance with the announcement of [2018] No. 3 of the State Administration of Taxation 《國家稅務總局[2018]3號公告》, deliver relevant information and documents to the Company in advance for early review by and filing with the competent taxation authorities. The Company will not withhold any enterprise income tax upon the completion of such review and filing. The Company will determine the residency status of the individual H Shareholders based on the registered addresses as recorded in the register of members of H Shares on Friday, 24 October 2025 (the “**Registered Address**”). If the residency status of any individual H Shareholder is not in consistency with that indicated by the Registered Address, such individual H Shareholder shall notify the Company’s H Share registrar Tricor Investor Services Limited not later than 4:30 p.m. on Wednesday, 22 October 2025 and provide relevant supporting documents. Any individual H Shareholder who fails to provide relevant supporting documents within the time period stated above may either personally or through appointing an agent handle the relevant procedures in accordance with the requirements under the tax treaty notice.

LETTER FROM THE BOARD

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H Shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H Shareholders or any disputes over the withholding mechanism or arrangements.

5. PROPOSED REAPPOINTMENT OF DIRECTOR

The Board proposed to reappoint Mrs. Meng Hong as an independent non-executive Director, subject to Shareholder's approval at the EGM.

Particulars of Mrs. Meng Hong are set out in Appendix III to this circular.

6. EXTRAORDINARY GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The EGM will be held at 9:00 a.m. on Friday, 17 October 2025 at 2/F., 1 Weigao Road, Torch Hi-tech Science Park, Weihai, Shandong, the PRC for the purpose of, inter alia, considering and approving, by the Shareholders, (i) the proposed adoption of the 2025 H Share Incentive Scheme; (ii) the proposed amendments to the Articles of Association; (iii) the proposed interim dividend; and (iv) the proposed reappointment of Director. The notice convening the EGM at which the resolutions approving the above matters will be proposed is set out on pages 138 to 142 to this circular.

Grantees (who are employees of the Group, including executive Directors) holding a total of 48,300,000 Domestic Shares and 14,456,000 H Shares granted under the Previous Share Award Scheme as at the Latest Practicable Date will not exercise the voting rights attached to any incentive shares held by them at the EGM. Save as disclosed above, as at the Latest Practicable Date, to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, no other Shareholder had any material interest in the matters to be considered at the EGM, and no other Shareholder was required to abstain from voting in respect of the any resolution at the EGM.

The proxy form for use at the EGM is enclosed and is also published on the websites of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.weigaogroup.com>). Whether or not you are able to attend the EGM, you are strongly urged to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon. For holders of H Shares, please return it to the Company's H Share registrar, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

LETTER FROM THE BOARD

For the purpose of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company for H Shares will be closed from Monday, 13 October 2025 to Friday, 17 October 2025 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for attending and voting at the EGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 10 October 2025.

In order to qualify for attending the EGM:–

Latest time to lodge in transfer instrument accompanied
by the share certificates for H Shares 4:30 p.m. on Friday,
10 October 2025

Closure of register of members of the Company
for attending and voting in the EGM. Monday, 13 October 2025 to
Friday, 17 October 2025

Record date for determining the entitlement of the
Shareholders to attend and vote at the EGM Friday, 17 October 2025

Date of EGM Friday, 17 October 2025

For the purpose of determining the entitlement of the Shareholders to the interim dividend, the register of members of the Company for H Shares will be closed from Thursday, 23 October 2025 to Friday, 24 October 2025 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for entitlement of the interim dividend, holders of H Shares should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 22 October 2025.

In order to qualify to entitle the interim dividend for the six months ended 30 June 2025:–

Latest time to lodge in transfer instrument accompanied
by the share certificates for H Shares
and Domestic Shares. 4:30 p.m. on Wednesday, 22 October 2025

Closure of register of members of the Company
for entitlement of the interim dividend for
the six months ended 30 June 2025. Thursday, 23 October 2025 to
Friday, 24 October 2025

Record date for the entitlement of the interim dividend Friday, 24 October 2025

Expected dispatch date of the interim dividend. Friday, 21 November 2025

LETTER FROM THE BOARD

The interim dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or before Friday, 21 November 2025.

VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, all votes of the Shareholders to be taken at the EGM will be taken by poll. An announcement of the results of the poll will be published after the EGM in accordance with the requirements of the Listing Rules.

RESPONSIBILITY STATEMENT

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

DOCUMENTS AVAILABLE ON DISPLAY

A copy of the 2025 H Share Incentive Scheme will be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.weigaogroup.com) for at least 14 days prior to the date of the EGM.

RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the resolutions to be proposed at the EGM to approve (i) the proposed adoption of the 2025 H Share Incentive Scheme; (ii) the proposed amendments to the Articles of Association; (iii) the proposed interim dividend; and (iv) the proposed reappointment of Director, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the aforesaid resolutions to be proposed at the EGM.

Your attention is also drawn to the appendices to this circular.

By order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Long Jing
Chairman

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

The following is a summary of the principal rules of the 2025 H Share Incentive Scheme but does not form part of, nor was it intended to be part of, the rules of the 2025 H Share Incentive Scheme nor should it be taken as affecting the interpretation of the rules of the 2025 H Share Incentive Scheme. To the extent that there are any discrepancies between the Chinese and English translation of the terms, the Chinese version shall prevail.

PURPOSES AND OBJECTIVES

The purposes of the 2025 H Share Incentive Scheme are to:

- (i) attract and retain Eligible Participants whose contributions are important to the long-term growth and success of the Group, to recognize and reward Eligible Participants for their past contribution to the Group;
- (ii) encourage Eligible Participants to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole;
- (iii) enhance the Company's long-term remuneration incentive strategy; and
- (iv) to align the interests of the Eligible Participants with those of the Company and the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

ADMINISTRATION

The 2025 H Share Incentive Scheme shall be subject to the administration of the Board and/or its designated persons (including the Trustee) in accordance with the Scheme Rules and the trust deed (if any).

Directors, being Eligible Participants, shall abstain from voting on Board resolutions approving matters in relation to the 2025 H Share Incentive Scheme and shall not be involved in the management of the 2025 H Share Incentive Scheme during the implementation of the 2025 H Share Incentive Scheme.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Where any Trustee is appointed for the administration of the 2025 H Share Incentive Scheme and treasury shares are utilized as Award Shares, the Company will hold the treasury shares in accordance with the Listing Rules and application PRC laws and regulations. Such treasury shares will be transferred to the Trustee at or prior to the vesting of Award Shares to a Selected Participant, upon which the Shares transferred to the Trustee out of treasury will cease to be treasury shares. Where no Trustee is appointed, the 2025 H Share Incentive Scheme will be subject to the administration of the Board and treasury shares are utilized as Award Shares. The Company will hold the treasury shares in accordance with the Listing Rules and application PRC laws and regulations. Such treasury shares will be transferred to the Selected Participant upon vesting of Award Shares, upon which the Shares transferred to the relevant Selected Participant will cease to be treasury shares. For any treasury shares deposited with Central Clearing and Settlement System (“CCASS”), the Company will (i) procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the treasury shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury shares from CCASS before the record date for the dividends or distributions, or take any other appropriate measures to ensure that it will not exercise any shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury shares. The Company will adopt appropriate measures to ensure that treasury shares and Award Shares will be segregated.

PARTICIPANTS AND BASIS OF DETERMINING ELIGIBILITY

Subject to the Scheme Rules, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than an Excluded Participant) for participation in the 2025 H Share Incentive Scheme as a Selected Participant, and grant an Award Share to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

In assessing the eligibility of Employee Participants, the Board will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate, including:

- (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (ii) the length of service within the Group;
- (iii) the individual contribution or potential contribution to the development and growth of the Group;
- (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group’s success;

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (v) for existing employee having a management role, the contribution of the department in which the employee works to the long-term operation and development of the Group; and
- (vi) for new joining employee, his/her position shall be key position such as senior management, middle-level management, core business and/or technical backbones of the Group, and the potential important influence and positive contributions are expected to be brought by the relevant individual to the Group's long-term development.

No person shall be considered as an Eligible Participant if he/she, at the Grant Date:

- (i) has been publicly reprimanded or deemed as an inappropriate candidate for similar award schemes or share incentive plans of a listed company by any authorized securities regulatory bodies in the last 12 months;
- (ii) has been imposed with penalties or punishment by any authorized securities regulatory bodies for major violations of laws and regulations within the last 12 months;
- (iii) is prohibited from serving as a director or senior manager of the Company as stipulated by the Company Law or the Listing Rules;
- (iv) is prohibited by laws and regulations to participate the 2025 H Share Incentive Scheme;
- (v) any other circumstances that seriously violate the relevant regulations of the Group or cause major damage to the interests of the Group as determined by the Board; or
- (vi) any other circumstances required by the Board to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the 2025 H Share Incentive Scheme.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Disqualification of Selected Participants

In the event that prior to or on the vesting date, if a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Award Shares made to such Selected Participant shall automatically lapse and the relevant Award Shares shall not vest on the relevant vesting date and will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. Such Eligible Participant shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include the following:

- (i) dismissal by the Company due to serious damage to the Company's interests, disclosure of the Company's commercial secrets, breach of the Company's confidentiality agreement and breach of the labour contract or the Company's rules and regulations, or serious violation of laws and discipline;
- (ii) refusing to return or destroy the materials and resources of the Company when leaving the Company;
- (iii) engaging in or soliciting others to engage in business activities that are the same as, similar to or competitive with the Company's business, or holding a position in such entities;
- (iv) colluding with the Company's competitors, seizing the Company's business opportunities and causing material adverse effect on the interests of the Company;
- (v) where such person has convicted of any criminal offense; or
- (vi) where such person is convicted of or held liable for any offence under the SFO or other Hong Kong securities laws or regulations or any other applicable laws or regulations in force from time to time or breaches the relevant ordinance, laws and regulations.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

If a Selected Participant's employment or services are terminated for any reason other than those stated above (the "**Bona Fide Former Employee**"), any unvested Award Shares granted to the Bona Fide Former Employee will lapse on the date of termination of service with the Group. In the event of (i) retirement according to applicable laws and regulations and the Company's policies, or (ii) death, physical or mental disability or incapacity caused by force majeure factors of the Bona Fide Former Employee, the Board has absolute discretion to determine whether the unvested Award Shares will continue to vest according to the original vesting schedule, while if no such determination is reached by the Board, such unvested Award Shares shall be regarded as having lapsed.

VALIDITY PERIOD

Except for early termination as determined by the Board pursuant to the Scheme Rules, the 2025 H Share Incentive Scheme shall be valid for a period of ten (10) years starting from the Adoption Date and no further Award Shares will be granted under the 2025 H Share Incentive Scheme thereafter.

SOURCE OF AWARD SHARES

A grant of Award Shares shall be satisfied by treasury shares to be transferred by the Company to the Trustee and/or existing H Shares acquired (either on-market or off-market) by the Trustee, provided that any such purchases shall only be made in compliance with applicable laws and regulations, including but not limited to the Code on Takeovers and Mergers and Share Buy-backs and the Listing Rules.

GRANTING OF AWARD SHARES

Subject to the Listing Rules and pursuant to the 2025 H Share Incentive Scheme, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than an Excluded Participant) for participation in the 2025 H Share Incentive Scheme as a Selected Participant, and grant an Award Share to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

There are two types of awards that may be granted under the 2025 H Share Incentive Scheme: two-year award and one-year award. Basic information of these two types of awards is set out below:

Award type	Grantee	Award Price
2-year award	Middle and back office staff, core key talents and specially hired talents	To be determined by the management authorized by the Board and approved by the Remuneration Committee
1-year award	Sales executives and sales personnel	To be determined by the management authorized by the Board and approved by the Remuneration Committee

Any award price may be determined by the management authorized by the Board taking into factors including the current closing price of the Shares, the purpose of the Award, and the characteristics and profile of the Selected Participants.

For the avoidance of doubt, no grant of any Award Shares by the Company shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.

No grant of Award Shares shall be made by the Board pursuant to the Scheme Rules and no instructions to acquire any H Shares shall be given to the Trustee under the 2025 H Share Incentive Scheme where dealings in the H Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (i) after information that are required to be disclosed under Rule 13.09 of the Listing Rules or inside information that are required to be disclosed under Part XIVA of the SFO has come to the knowledge of the Company until (and including) the trading day after such information has been publicly announced in accordance with the Listing Rules, the SFO and/or the application laws;

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (ii) during the period commencing 30 days immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcements. Such period will cover any period of delay in the publication of a results announcement;
- (iii) (in the event that the Selected Participant is a Director, supervisor or the chief executive of the Company) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company, during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company, or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iv) in any circumstance where dealing in Shares by a Selected Participant (including directors of the Company) is prohibited under the Listing Rules, the SFO or any other applicable laws or regulations;
- (v) in any circumstance where any requisite approval from any governmental or regulatory authority has not been granted; and
- (vi) in any circumstance where the granting the Award Shares is prohibited by or would result in a breach of the Listing Rules, the SFO or any other applicable laws or regulations.

Save for any award price as might be determined by the Board or its authorized management to be payable by a Selected Participant, such Selected Participant will not have to pay any consideration for the acceptance and purchase of the Award Shares under the 2025 H Share Incentive Scheme.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

SCHEME MANDATE LIMIT AND INDIVIDUAL LIMIT

Subject to the Scheme Rules, the total number of H Shares which may be issued (including transfer of treasury shares) in respect of all options and awards to be granted under the 2025 H Share Incentive Scheme and any other share scheme(s) adopted by the Company must not exceed 4.5% of the total number of issued Shares (excluding treasury shares) as at the Adoption Date. As at the Latest Practicable Date, the Company did not have any other existing share scheme subject to the forgoing limit. Based on the total number of 4,548,790,324 issued Shares (excluding any treasury shares) as at the Latest Practicable Date and assuming there is no change to the number of issued H Shares from the Latest Practicable Date to the date of the EGM, a total of 204,695,564 H Shares may be issued (including transfer of treasury shares out of treasury) in respect of all awards and Award Shares to be granted under the 2025 H Share Incentive Scheme.

For the avoidance of doubt, under the 2025 H Share Incentive Scheme, the Scheme Mandate Limit is applicable to the grant of Award Shares to be satisfied by both the transfer of treasury shares and/or existing H Shares.

Award Shares or options that have already lapsed in accordance with the terms of the Relevant Scheme(s) shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved at the EGM, the maximum number of H Shares that may be issued in respect of all options and awards to be granted under all of the share schemes of the Company issuer under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share.

Where an Award Share is to be granted to any Director, supervisor, the chief executive or any substantial shareholder of the Company (or any of their respective associates), the Grant shall not be valid unless it has been approved by the independent non-executive Directors.

Where any grant of Award Shares to a Director, supervisor or the chief executive of the Company, or any of their respective associates, would result in the number of H Shares issued and to be issued (including transfer of treasury shares) in respect of all awards granted to such proposed Selected Participant (excluding any awards lapsed in accordance with the terms of the 2025 H Share Incentive Scheme and any other share schemes involving issuance of new H Shares or transfer of treasury shares adopted and to be adopted by the Company from time to time (together with the Scheme, the “**Relevant Scheme(s)**”)) in the twelve (12)-month period up to and including the Grant Date of the relevant Award Share representing in aggregate over 0.1% of the total number of Shares (excluding treasury shares) in issue as at the Grant Date, such grant of Award Share shall not be valid unless:

- (i) the Grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his/her associates and all core connected persons of the Company abstained from voting in favour of the relevant resolution approving the Grant;

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (ii) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the Grant are fair and reasonable and whether such grant is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (iii) the number and terms of such Award Shares are fixed before the general meeting of the Company at which the same are approved.

Where any grant of Award Shares to a substantial Shareholder, or any of their respective associates, would result in the number of H Shares issued and to be issued (including transfer of treasury shares) in respect of all options and awards granted to such proposed Selected Participant (excluding any options and awards lapsed in accordance with the terms of the Relevant Schemes) in the twelve (12)-month period up to and including the Grant Date representing in aggregate over 0.1% of the total number of Shares (excluding treasury shares) in issue as at the Grant Date, such grant of Award Share shall not be valid unless:

- (i) the Grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons of the Company abstained from voting in favour of the relevant resolution approving the Grant;
- (ii) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the Grant are fair and reasonable and whether such Grant is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (iii) the number and terms of such Award Shares are fixed before the general meeting of the Company at which the same are approved.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

No Award Share shall be granted to any Eligible Participant (the “**Relevant Eligible Participant**”) if such grant would result in the number of H Shares issued and to be issued (including transfer of treasury shares) in respect of all options and awards granted to such Relevant Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the Relevant Schemes) in the twelve (12)-month period up to and including the Grant Date representing in aggregate over 1% of the total number of Shares (excluding treasury shares) in issue as at the Grant Date unless:

- (i) The Grant has been duly approved by the Shareholders at the general meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules and the Relevant Eligible Participant and his/her close associates (or, if the Relevant Eligible Participant is a connected person, his/her associates) have abstained from voting at the general meeting;
- (ii) A circular containing details of the Grant has been sent to the shareholders in a manner consistent with the relevant provisions of Chapter 17 of the Listing Rules, setting out the information specified in the relevant provisions of Chapter 17 of the Listing Rules (including but not limited to the identity of the Relevant Eligible Participant, the number and terms of the Award Shares to be granted (and the number and terms of the Award Shares previously granted to the Relevant Eligible Participant during the twelve (12)-month period described above) and the purpose for which the Award Shares are granted to the Relevant Eligible Participant and an explanation of how the terms of the Award Shares achieve that purpose; and
- (iii) The number and terms of the Award Shares are fixed before approval by the general meeting of the Company.

Refreshment of Scheme Mandate Limit

The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting after three (3) years from the later date of (i) the date of Shareholders’ approval for the last refreshment and (ii) the Adoption Date, provided that:

- (i) the total number of H Shares which may be issued (including transfer of treasury shares) in respect of all options and awards to be granted under all Relevant Scheme(s) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares (excluding treasury shares) in issue as at the date of approval of the refreshed Scheme Mandate Limit; and

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (ii) a circular regarding the proposed refreshment of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules, including but not limited to the number of Award Shares that have already been granted under the existing Scheme Mandate Limit and the reason for the refreshment.

Any refreshment of the Scheme Mandate Limit within any three year period must be approved by the Shareholders subject to the following:

- (i) any controlling shareholders and their respective associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The above requirements under paragraphs (i) and (ii) do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the scheme mandate (as a percentage of the relevant class of shares in issue) upon refreshment is the same as the unused part of the scheme mandate immediately before the issue of securities, rounded to the nearest whole share.

The Company may seek separate approval from the Shareholders in general meeting for granting Award Shares beyond the Scheme Mandate Limit, provided that:

- (i) the Award Shares will only be granted to Eligible Participants specifically identified by the Company before the relevant Shareholders' approval is sought;
- (ii) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules, including but not limited to the name of each Eligible Participant who may be granted such Award Shares, the number and terms of the Award Shares to be granted to each Eligible Participant, and the purpose of granting Award Shares to the Eligible Participants with an explanation as to how the terms of the Award Shares serve such purpose; and
- (iii) the number and terms of the Award Shares to be granted to such Eligible Participants are fixed before the general meeting of the Company at which the same are approved.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

GRANT DATE

The Grant Date shall be determined by the Board upon the approval of the 2025 H Share Incentive Scheme by the EGM and the fulfillment of conditions for grant. The determination of the Grant Date shall be made in accordance with the requirements of the Listing Rules and other relevant regulations and does not impose any material risks to the Company (including but not limited to compliance risk).

LETTER OF GRANT

Each Grant shall be evidenced by a Letter of Grant, which shall specify the name of the Selected Participant, any vesting conditions (if any), the number of Award Shares granted, and such other terms and conditions as the Board and/or its authorized persons, in their sole discretion, shall determine.

RESTRICTIONS

Prior to the vesting date, any Award Shares granted under the 2025 H Share Incentive Scheme shall be the personal property of the Selected Participant to whom the Award Shares are granted and shall not be transferred or assigned unless and until such Award Shares have actually vested and transferred to the Selected Participant and/or an institution controlled by him/her (such as a trust or private company). No Selected Participant shall in any way sell, transfer, pledge, mortgage, encumbrance or otherwise dispose of or create any interest in favor of any other person in respect of any unvested Award Shares or enter into or intend to enter into any agreement thereto.

The Stock Exchange may consider granting a waiver to allow a transfer to a vehicle (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the 2025 H Share Incentive Scheme and comply with other requirements of the Listing Rules. Where such waiver is granted, the Stock Exchange shall require the Company to disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle. As at the Latest Practicable Date, no such application for waiver to allow the transfer of Award Shares has been made by the Company to the Stock Exchange.

VESTING OF AWARD SHARES

Vesting of Award Shares is subject to the following conditions:

- (i) unless otherwise required by the Scheme Rules, the 2025 H Share Incentive Scheme is still valid and has not been terminated;

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (ii) the vesting schedule set out in the Letter of Grant has been achieved;
- (iii) the Selected Participant remains as an Eligible Participant;
- (iv) there are no circumstances in which the Selected Participant is not allowed to be vested the underlying H Shares pursuant to the 2025 H Share Incentive Scheme;
- (v) the performance targets, assessment conditions and other conditions (if any) set out in the Letter of Grant have been achieved;
- (vi) the Selected Participant is not prohibited by any applicable laws and regulations to participate in the 2025 H Share Incentive Scheme.

Details of the performance targets shall be determined by the Board and set out in the Letter of Grant. The Board and/or its authorized persons are entitled to impose any conditions, as it deems appropriate in their sole and absolute discretion with respect to the vesting of the Award Shares to the Selected Participant, including but not limited to the vesting based on the performance assessment of the business unit where the Selected Participant is employed and the individual or team performance evaluation results of the Selected Participant. Subject to the terms and condition of the 2025 H Share Incentive Scheme and the fulfillment of all vesting conditions applicable to the vesting of the Award Shares on such Selected Participant, the respective Award Shares held by the Trustee on behalf of the Selected Participant pursuant to the provision thereof shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Award Shares to be transferred to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant in accordance with the Scheme Rules. If the Selected Participant fails to meet the vesting conditions applicable to the relevant Award Shares, all relevant Award Shares that may vest during each vesting period shall not vest and shall lapse immediately unless the Board and/or its authorized persons decide the otherwise. In such event, the Board and/or its authorized persons may, at their sole discretion, determine the vesting of the relevant Award Shares in accordance with the deferred schedule and adjust the vesting percentage and shall notify the Trustee of the same in writing as soon as reasonably practicable.

Vesting Period

The vesting period for the Award Shares shall not be less than twelve (12) months.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Vesting Schedule

Vesting schedule for the two types of Awards under the 2025 H Share Incentive Scheme is set out below:

Award type	Vesting Schedule
2-year award	50% to be vested on the first trading day after 12 months from the Grant Date and 50% to be vested on the first trading day after 24 months from the Grant Date
1-year award	100% vested on the first trading day after 12 months from the Grant Date

Within a reasonable time after the fulfillment of the vesting conditions and vesting schedule, the Board shall procure the Company and the Selected Participant to execute a letter of vesting, which shall specify the extent to which the vesting conditions and timetable would be met, fulfilled, satisfied or waived and the number of Award Shares to vest during the relevant vesting period.

Upon receiving the requisite documents in accordance with the Scheme Rules, the Trustee shall transfer the relevant Award Shares to the relevant Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) as instructed by the Board as soon as practicable on or after the vesting date and in any event not later than ten (10) Business Days after the vesting date.

Any Award Shares to be transferred to a Selected Participant upon vesting of Award Shares granted pursuant to the 2025 H Share Incentive Scheme shall rank *pari passu* in all respects with the fully-paid H Shares in issue on the date of transfer, and accordingly shall entitle the holder of such H Shares to participate in all dividends or other distributions the record date of which falls on or after the date of transfer and to exercise all voting rights in respect of such H Shares.

Upon satisfying the relevant vesting period and vesting conditions, the Selected Participants may notify and instruct the Trustee in writing to dispose of the Award Shares held by the Trustee for and on behalf of the Selected Participant, subject to compliance with all the relevant laws and the Listing Rules. The proceeds from such disposal, after deducting (i) all related expenses (including but not limited to stamp duty, brokerage fees, applicable levies and all other taxes payable by the Selected Participants, if any), will be deposited in the designated bank account of the relevant Selected Participants within 14 Business Days after completion of the disposal.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

LAPSE OF AWARD SHARES

If the Selected Participant fails to meet the vesting conditions applicable to the relevant Award Shares, unless the Board and/or its authorized persons determines otherwise, all Award Shares which may vest during each vesting period shall not vest and shall lapse automatically and shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

CANCELLATION OF AWARD SHARES

Upon occurrence of any event triggering the clawback mechanism (and whether an event is to be regarded as triggering the clawback mechanism is subject to the sole determination of the Board) in relation to a Selected Participant, the Board will claw back such number of Award Shares granted (to the extent not already vested). The Board may (but is not obliged to) by notice in writing to the relevant Selected Participant in respect of the cancellation. The Award Shares that are clawed back shall be regarded as cancelled and the Award Shares so cancelled shall be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. For details of the clawback mechanism of the 2025 H Share Incentive Scheme, please refer to the paragraph headed “Clawback Mechanism” in this appendix.

Notwithstanding any other provisions of the 2025 H Share Incentive Scheme or any terms and conditions set forth in the Letter of Grant in respect of the Board’s discretion to cancel any Award Shares that have not been vested, any Award Shares granted but not vested may be cancelled if the Selected Participant so agrees.

Where an Award Share granted to a Selected Participant has been cancelled, and a new grant to the same participant is made, such new grant may only be made under the H Share Incentive Scheme within the available Scheme Mandate Limit approved by the Shareholders. The Award Share cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

VOTING AND DIVIDENDS

The Selected Participants and Trustee shall not exercise the voting rights in respect of any H Shares held directly or indirectly by it under the Trust (if any) (including but not limited to the Award Shares, any bonus Shares and scrip Shares derived therefrom).

The Trustee holding an unvested H Share under the 2025 H Share Incentive Scheme, whether directly or indirectly, should abstain from voting on matters subject to Shareholders’ approval in accordance with the Listing Rules unless otherwise required by law to act in accordance with the directions given by the beneficial owner and such a direction is given.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

A Selected Participant shall not have any interest or rights (including the right to vote, receive dividends, or other rights such as any rights arising on a liquidation of the Company) in the Award Shares by virtue of the grant of an Award Share pursuant to the 2025 H Share Incentive Scheme, unless and until the Award Shares are actually transferred to the Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) upon vesting of the Award Shares on the vesting date.

TAKEOVER, RIGHT ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME

If there occurs an event of change in control of the Company (e.g. by way of offer, merger, scheme of arrangement or otherwise), the Board shall determine at its sole and absolute discretion whether any Award Shares shall vest in the Selected Participant and the time at which such Award Shares shall vest. If the Board determines that any Award Shares shall be vested to any Selected Participant, the Trustee shall distribute the Award Shares to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such participant in accordance with provisions of the 2025 H Share Incentive Scheme. The Board shall not shorten the vesting period for Award Shares to less than twelve (12) months as a result of any event of change in control.

If there occurs an event of alteration in the capital structure of the Company (including but not limited to capitalization issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company) whilst any Award Share remains outstanding, the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including (i) the number of H Shares that may be offered by the Company to the Selected Participant pursuant to the Award Share that have already granted but not vested; and/or (ii) the purchase price of any unvested Award Share (if applicable), provided that:

- (i) no such adjustments shall be made to the extent that a H Share would be issued at less than its nominal value;
- (ii) no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

- (iii) any such adjustments made must give each Selected Participant the same proportion of the share capital of the Company, rounded to the nearest whole H Share, as that to which he was previously entitled;
- (iv) no adjustment shall be made to the advantage of the Selected Participant without specific prior approval from the Shareholders;
- (v) any adjustment made should have a neutral impact or worse from the perspective of the Selected Participant;
- (vi) to the extent that a Selected Participant is required to pay any consideration for their Awards, the consideration payable by the Selected Participants should not be revised provided that the number of Award Shares has been adjusted in accordance with the provisions set forth herein;
- (vii) any such adjustments, other than those made on a capitalization issue, shall be confirmed by an independent financial adviser or the auditors in writing to the Directors as satisfying the requirements the Scheme Rules, the requirements of the relevant provisions of the Listing Rules and the supplementary guidance on Rule 17.03(13) of the Listing Rules as provided by the Stock Exchange from time to time (the “**Supplementary Guidance**”) and any further guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time, and that in the opinion of the auditors or an independent financial adviser that the adjustments made by the Board under the Scheme Rules are fair and reasonable. The independent financial adviser or the auditors (as the case may be) shall act as experts and not as arbitrators and their certification shall be final and binding on the Company and the Selected Participant. The costs of the independent financial adviser or the auditors (as the case may be) shall be borne by the Company; and
- (viii) any adjustments to be made will comply with the Listing Rules, the Supplementary Guidance and any further guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

To the extent not otherwise determined by the Board in accordance with the forgoing provision, the method of adjustment of the number of outstanding Award Shares is set out as below:

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Capitalization issue

$$Q=Q_0 \times (1 + n)$$

Where: “Q₀” represents the number of Award Shares before the adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “Q” represents the number of Award Shares after the adjustment.

Rights issue

$$Q=Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: “Q₀” represents the number of Award Shares before the adjustment; “P₁” represents the closing price of the Shares as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of the rights issue allotment; “Q” represents the number of Award Shares after the adjustment.

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q=Q_0 \times n$$

Where: “Q₀” represents the number of Award Shares before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “Q” represents the number of Award Shares after the adjustment.

If there has been any alteration in the capital structure of the Company as above-mentioned, the Company shall notify each such Selected Participant (with a copy of the notification to the Trustee) of the adjustment to be made after such alteration in the capital structure of the Company.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Unless otherwise determined by the Board:

- (a) in the event the Company undertakes an open offer of new securities in respect of any Shares which are held directly or indirectly by the Trustee under the 2025 H Share Incentive Scheme, the Trustee shall not subscribe for, or procure for the subscription of, any new Shares. In the event of a rights issue, the Trustee shall sell or cause to be sold such amount of the nil-paid rights allotted to it (or a designee) on the market as is appropriate and the net proceeds of sale of such rights shall be returned to the Company;
- (b) in the event the Company issues bonus warrants in respect of any Shares which are held directly or indirectly by the Trustee, the Trustee shall not subscribe for, and, where applicable, procure the subscription of, any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell or cause to be sold the bonus warrants created and granted to it on the market, the net proceeds of sale of such bonus warrants shall be returned to the Company or the Company's direction be sought;
- (c) in the event that the Company undertakes an issue of bonus Shares, the bonus Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be returned to the Company;
- (d) in the event the Company undertakes a scrip dividend scheme, the Trustee shall elect or, where applicable, procure the Holding Company to elect to receive scrip Shares and scrip Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be returned to the Company;
- (e) in the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall dispose of or, where applicable, procure the disposal of such distribution and the net sale proceeds thereof shall be deemed as cash income of a Share and shall be returned to the Company.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

If notice is duly given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering a resolution for the voluntary winding-up of the Company (other than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made, the Board shall determine at its sole and absolute discretion whether any Award Shares shall vest in the Selected Participant and the time at which such Award Shares shall vest. If the Board determines that any Award Shares shall vest, it shall promptly notify such Selected Participant (with a copy of the notification to the Trustee) and shall use its reasonable endeavours to procure the Trustee to take such action as may be necessary to transfer the legal and beneficial ownership of the Award Shares to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the participant and any family members of such participant. For the avoidance of doubt, if the Board determines that such unvested Award Interests shall not vest, such award shall lapse with immediate effect and in any event. The Board shall not shorten the vesting period for Award Shares to less than twelve (12) months as a result of such determination.

DISPUTES

Any dispute in connection with the 2025 H Share Incentive Scheme shall be decided by the Board, which shall be final and binding.

CLAWBACK MECHANISM

In any of the following circumstances, the Board would, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Award Shares:

- (i) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his/her employment or engagement by any member of the Group;
- (ii) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his/her duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group after the Selected Participant ceases to be an Eligible Participant; or
- (iv) there has been a material misstatement to the Company's financial statement.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

The Board will also claw back and cancel any unvested Award Shares as detailed in the paragraph headed “Cancellation of Award Shares”.

ALTERATION AND TERMINATION

Alteration

The 2025 H Share Incentive Scheme, once adopted at the EGM, may be amended at the discretion of the Board in accordance with applicable laws and regulations. In the event of any inconsistency between the Scheme Rules and the relevant laws, regulations, agreements or Listing rules, the provisions of the relevant laws, regulations, agreements and Listing Rules shall prevail.

The 2025 H Share Incentive Scheme may be amended in any respect by a resolution of the Board provided that, any alteration to the terms and conditions of the 2025 H Share Incentive Scheme that are of a material nature or any alteration to the authority of the Board to alter the terms of the 2025 H Share Incentive Scheme or any alteration to the specific terms of the 2025 H Share Incentive Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Selected Participant or proposed Selected Participant must be approved by the Shareholders in general meeting (with the Selected Participant or proposed Selected Participant and his/her associates abstaining from voting). The Board’s determination as to whether any proposed alteration to the terms and conditions of the 2025 H Share Incentive Scheme is material shall be conclusive.

Any change to the terms of Award Shares granted to a Selected Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of such Award Shares under the Scheme was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) except where the alterations take effect automatically under the existing terms of the 2025 H Share Incentive Scheme.

The provisions in the 2025 H Share Incentive Scheme may be amended by the Board to reflect any amendments on the relevant Listing Rules made by the Stock Exchange after the Adoption Date.

The amended terms of the 2025 H Share Incentive Scheme must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

APPENDIX I KEY TERMS OF THE 2025 H SHARE INCENTIVE SCHEME

Termination

The 2025 H Share Incentive Scheme shall be terminated on the earlier of:

- (i) the date of the tenth (10th) anniversary of the Adoption Date; and
- (ii) such date of early termination as determined by the general meeting of the Company.

Upon termination of the 2025 H Share Incentive Scheme,

- (i) no further grant of Award Shares may be made under the 2025 H Share Incentive Scheme;
- (ii) all the Award Shares of the Selected Participants granted under the 2025 H Share Incentive Scheme shall continue to be held by the Trustee or the Company as treasury shares and become vested in the Selected Participants according to the conditions of the Award Share, subject to the receipt by the Trustee of the required documents prescribed by the Trustee;
- (iii) unless otherwise determined by the Board and to the extent a Trust has been established, all H Shares (except for any Award Shares subject to vesting on the Selected Participants) remaining in the Trust Fund shall be sold by the Trustee within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) (or such longer period as the Trustee and the Board may otherwise determine); and
- (iv) any net proceeds of sale and such other funds and properties remaining in the trust fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee may not transfer any H Shares to the Company nor may the Company otherwise hold any H Shares whatsoever (other than its interest in the proceeds of sale of such Shares).

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

The Company proposed to amend the Articles of Association, details of which are as follows:

Existing Articles	Amended contents of the Articles
CHAPTER 1 GENERAL PROVISIONS	CHAPTER 1 GENERAL PROVISIONS
Article 1 To safeguard the legitimate rights and interests of Shandong Weigao Group Medical Polymer Company Limited (the “Company”), the shareholders and creditors of the Company and regulate the organization and activities of the Company, the Articles of Association (the “Articles of Association” or “these Articles of Association”) are formulated in accordance with the Company Law of the PRC (中華人民共和國公司法) (the “Company Law”), the Securities Law of the PRC (中華人民共和國證券法) (the “Securities Law”), the Trial Administrative Measures of Overseas Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other relevant laws, administrative regulations, departmental rules, regulatory documents and relevant requirements of the regulatory authority and pursuant to the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》).	Article 1 To safeguard the legitimate rights and interests of Shandong Weigao Group Medical Polymer Company Limited (the “Company”), the shareholders, <u>employees</u> and creditors of the Company and regulate the organization and activities of the Company, the Articles of Association (the “Articles of Association” or “these Articles of Association”) are formulated in accordance with the Company Law of the PRC (中華人民共和國公司法) (the “Company Law”), the Securities Law of the PRC (中華人民共和國證券法) (the “Securities Law”), the Trial Administrative Measures of Overseas Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (<u>hereinafter referred to as the “Hong Kong Listing Rules”</u>) and other relevant laws, administrative regulations, departmental rules, regulatory documents and relevant requirements of the regulatory authority and pursuant to the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》).
Article 11 The Articles of Association of the Company became effective after being approved by shareholders in General Meeting by way of special resolution and (where necessary) by relevant competent authority in accordance with relevant laws and regulations of the PRC.	Article 11 The Articles of Association of the Company became effective after being approved by shareholders in General Meeting by way of special resolution and (where necessary) by relevant competent authority in accordance with relevant laws and regulations of the PRC.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 19 The Company shall issue shares in the principles of openness, fairness and impartiality, and each share of the same class shall have the same rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same; for the shares subscribed by any entity or any individual, the price per share paid must be the same.	Article 19 The Company shall issue shares in the principles of openness, fairness and impartiality, and each share of the same class shall have the same rights. For shares issued at the same time and within the same class, the conditions and price per share must be the same; for the shares subscribed by <u>subscribers</u> any entity or any individual, the price per share paid must be the same.
Article 25 The share capital structure of the Company is as follows: The total number of issued ordinary shares is 4,570,632,324 shares. Among such shares, 4,522,332,324 ordinary shares are overseas listed shares, representing 98.94% of the total ordinary shares issued by the Company, and 48,300,000 ordinary shares are domestic shares, representing 1.06% of the total ordinary shares issued by the Company.	Article 25 The share capital structure of the Company is as follows: The total number of issued ordinary shares is 4,570,632,324 shares. Among such shares, <u>4,570,632,324</u>4,522,332,324 ordinary shares are overseas listed shares, representing <u>100</u>98.94% of the total ordinary shares issued by the Company, and 48,300,000 ordinary shares are domestic shares, representing 1.06% of the total ordinary shares issued by the Company.

Existing Articles	Amended contents of the Articles
Article 26 After complying with the conditions (if any) stipulated in the laws, regulations and the regulatory rules of the place where the Company's shares are listed, non-listed shares of the Company may be converted into overseas listed foreign invested shares and be listed and traded overseas. The aforesaid shares shall be listed and traded on overseas stock exchanges and shall also comply with the regulatory procedures, rules and requirements of the overseas stock market. The aforesaid situations where shares are listed on the overseas stock market. The aforesaid situations where shares are listed on the overseas stock exchanges do not required passing of resolutions at a general meeting.	Article 26 After complying with the conditions (if any) stipulated in the laws, regulations and the regulatory rules of the place where the Company's shares are listed, non-listed shares of the Company may be converted into overseas listed foreign invested shares and be listed and traded overseas. The aforesaid shares shall be listed and traded on overseas stock exchanges and shall also comply with the regulatory procedures, rules and requirements of the overseas stock market. The aforesaid situations where shares are listed on the overseas stock market. The aforesaid situations where shares are listed on the overseas stock exchanges do not required passing of resolutions at a general meeting.

Existing Articles	Amended contents of the Articles
Section 2 Increase, Decrease and Repurchase of Shares	Section 2 Increase, Decrease and Repurchase of Shares
Article 27 The Company may, pursuant to its operational and developmental requirements, increase its capital in accordance with the relevant provisions under this Articles of Association. The increase of capital may be made by way of the following methods: (I) Public issue of shares; (II) Non-public issue of shares; (III) Distribution of bonus issue of shares to existing shareholders; (IV) Capitalisation of Common Reserve Fund; (V) Other ways as permitted by applicable laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and approved by CHINA SECURITIES REGULATORY COMMISSION. The resolution to increase the Company's capital shall be made in accordance with the procedural requirements as stated in its Articles of Association and subject to such resolution being passed, the procedures involved in increasing capital shall be carried out in accordance with all relevant laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.	Article 27 The Company may, pursuant to its operational and developmental requirements, increase its capital <u>by way of the following methods upon the resolution at the general meeting in accordance with the provisions of the laws and regulations: relevant provisions under this Articles of Association.</u> The increase of capital may be made by way of the following methods: (I) <u>Public</u> Public <u>Issue of shares to unspecified parties;</u> (II) <u>Non-public</u> Non-public <u>Issue of shares to specific parties;</u> (III) Distribution of bonus issue of shares to existing shareholders; (IV) Capitalisation of Common Reserve Fund; (V) Other ways as permitted by applicable laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and approved <u>stipulated</u> by CHINA SECURITIES REGULATORY COMMISSION. The resolution to increase the Company's capital shall be made in accordance with the procedural requirements as stated in its Articles of Association and subject to such resolution being passed, the procedures involved in increasing capital shall be carried out in accordance with all relevant laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed.
Article 29 Registered capital reduction of the Company proceeds in accordance with the procedures provided in the Company Law and other relevant requirements and the Articles of Association.	Article 29 Registered capital reduction of the Company proceeds in accordance with the procedures provided in the Company Law, <u>Hong Kong Listing Rules</u> and other relevant requirements and the Articles of Association.

Existing Articles	Amended contents of the Articles
Article 30 Under the following circumstances, and upon obtaining approval in accordance with this Articles of Association and from the relevant government supervisory authorities, the Company may repurchase its issued shares: (I) for the purpose of reducing its capital; (II) in the event of a merger with other companies which are holding the shares of the Company; (III) the shares shall be used for the employee shareholding scheme or equity incentive; (IV) in the event of opposition by a shareholder in general meetings in respect of a resolution for the merger or division of the Company, such shareholder can request the Company to repurchase his shares; (V) the shares shall be used for conversion into convertible corporate bonds issued by companies; (VI) necessary for safeguarding the value and shareholders' interests of companies. Upon the repurchase of the Company's shares as afore said, for repurchase pursuant to item (I), the repurchased shares should be cancelled within 10 days from the date of repurchase, for repurchase pursuant to items (II), (IV), such shares shall be transferred or cancelled within 6 months of the repurchase date. For repurchase of the Company's shares pursuant to items (III), (V), (VI) by the Company, the number of shares of the Company held by the Company in the aggregate shall not exceed 10% of the Company's total issued shares, and shall be transferred or cancelled within three year.	Article 30 Under the following circumstances, and upon obtaining approval in accordance with this Articles of Association and from the relevant government supervisory authorities <u>(if necessary)</u>, the Company may repurchase its issued shares: (I) for the purpose of reducing its capital; (II) in the event of a merger with other companies which are holding the shares of the Company; (III) the shares shall be used for the employee shareholding scheme or equity incentive; (IV) in the event of opposition by a shareholder in general meetings in respect of a resolution for the merger or division of the Company, such shareholder can request the Company to repurchase his shares; (V) the shares shall be used for conversion into convertible corporate bonds issued by companies; (VI) necessary for safeguarding the value and shareholders' interests of companies. Upon the repurchase of the Company's shares as afore said, for repurchase pursuant to item (I), the repurchased shares should be cancelled within 10 days from the date of repurchase, for repurchase pursuant to items (II), (IV), such shares shall be transferred or cancelled within 6 months of the repurchase date. For repurchase of the Company's shares pursuant to items (III), (V), (VI) by the Company, the number of shares of the Company held by the Company in the aggregate shall not exceed 10% of the Company's total issued shares, and shall be transferred or cancelled within three year.

Existing Articles	Amended contents of the Articles
Article 32 If the repurchase is made for reasons set out in items (I), (II) of Article 30 of the Articles of Association, the prior approval shall be obtained from the general meeting in accordance with the provisions of the Articles of Association. If the repurchase is made for reasons set out in items (III), (V) or (VI) of Article 30 of the Articles of Association, it shall be approved by resolution passing by two-thirds of the votes cast by the directors attending the board meeting. If relevant matters involved in the repurchase of shares aforementioned are otherwise required by the laws, regulations, the regulatory rules of the place where the Company's shares are listed, the Articles of Association, such requirements and regulations shall prevail.	Article 32 If the repurchase is made for reasons set out in items (I), (II) of Article 30 of the Articles of Association, the prior approval shall be obtained from the general meeting in accordance with the provisions of the Articles of Association. If the repurchase is made for reasons set out in items (III), (V) or (VI) of Article 30 of the Articles of Association, it shall be approved by resolution passing by two-thirds of the votes cast by the directors attending the board meeting. If relevant matters involved in the repurchase of shares <u>and treasury shares (whether as defined under the Company Law or Hong Kong Listing Rules)</u> aforementioned are otherwise required by the laws, regulations, the regulatory rules of the place where the Company's shares are listed, the Articles of Association, such requirements and regulations shall prevail.

Existing Articles	Amended contents of the Articles
Article 33 Upon the repurchase of the Company's shares according to law, the Company must in accordance with applicable law, administrative regulations and the regulatory rules of the place where the Company's shares are listed cancel or transfer such repurchased shares and must apply to Weihai Administration for Market Regulation for the registration of the changes in the Company's registered capital and issue a public notice stating so. The nominal value of the shares so cancelled must be deducted from the Company's registered capital.	Article 33 Upon the repurchase of the Company's shares according to law, the Company must in accordance with applicable law, administrative regulations and the regulatory rules of the place where the Company's shares are listed cancel or transfer such repurchased shares <u>or hold them as treasury shares in accordance with Hong Kong Listing Rules</u>, and must apply to Weihai Administration for Market Regulation for the registration of the changes in the Company's registered capital and issue a public notice stating so. The nominal value of the shares so cancelled must be deducted from the Company's registered capital. <u>If relevant matters involved in the repurchase of shares and treasury shares (whether as defined under the Company Law or the Hong Kong Listing Rules) aforementioned are otherwise required by the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed, these Articles of Association, such requirements and regulations shall prevail.</u> <u>Save as otherwise provided by the Hong Kong Listing Rules, the Company Law or relevant laws and regulation, treasury shares shall not be entitled to vote, directly or indirectly, at any meeting of the Company, and shall not be included in determining the total number of issued shares at any given time. The Company shall not exercise any right in respect of the treasury shares, and no dividend may be declared or distributed in respect of a treasury share.</u>

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Section 3 Transfer of Shares	Section 3 Transfer of Shares
Article 35 Unless otherwise provided by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, the Company's shares may be transferred in accordance with the laws.	Article 35 Unless otherwise provided by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, the Company's shares <u>shall</u> may be transferred in accordance with the laws.
Article 36 The Company shall not accept any of its own shares as the subject of pledge right.	Article 36 The Company shall not accept any of its own shares as the subject of pledge right.

Existing Articles	Amended contents of the Articles
Article 37 Shares of the Company held by promoters shall not be transferred for a period of one year after the Company's establishment. Shares issued prior to the Company's public offering of shares shall not be transferred for a period of one year from the date of listing and trading of the Company's shares on the stock exchange. The directors, supervisors and senior management of the Company shall declare to the Company the shares held by them in the Company and the changes therein, and shall not transfer more than 25% of the total number of shares held by them in the Company each year during their term of office; their shares in the Company shall not be transferred within one year from the date of listing and trading of the Company's shares. The shares of the Company held by the abovementioned persons shall not be transferred within six months after their departure from office. If there are other requirements for restrictions on the transfer of shares imposed by the laws, administrative regulations or the regulatory rules of the place where the Company's shares are listed, such requirements shall prevail.	Article 37 Shares of the Company held by promoters shall not be transferred for a period of one year after the Company's establishment. Shares issued prior to the Company's public offering of shares shall not be transferred for a period of one year from the date of listing and trading of the Company's shares on the stock exchange. <u>If the transfer of shares of the Company held by Shareholders or actual controllers of a listed company are otherwise required by laws, administrative regulations or the securities regulatory authorities of the State Council, the regulatory rules of the place where the Company's shares are listed, such requirements and regulations shall prevail.</u> The directors, supervisors and senior management of the Company shall declare to the Company the shares held by them in the Company and the changes therein, and shall not transfer more than 25% of the total number of shares held by them in the Company each year during their term of office <u>as determined at the time of appointment</u>; their shares in the Company shall not be transferred within one year from the date of listing and trading of the Company's shares. The shares of the Company held by the abovementioned persons shall not be transferred within six months after their departure from office. If there are other requirements for restrictions on the transfer of shares imposed by the laws, administrative regulations or the regulatory rules of the place where the Company's shares are listed, such requirements shall prevail.

Existing Articles	Amended contents of the Articles
Section 4 Financial Assistance for Acquisition of Company Shares	Section 4 Financial Assistance for Acquisition of Company Shares
Article 39 The Company and its subsidiaries shall not at any time give financial assistance in any way to any person acquiring or proposing to acquire shares in the Company. The aforesaid persons acquiring the shares in the Company include those who have incurred, directly or indirectly, any liability for the purpose of acquiring shares in the Company. The Company or its subsidiaries shall not at any time give financial assistance in any way to the persons who have incurred such liability for the purpose of reducing or discharging that liability. This Article is not applicable to the circumstances described in Article 41 of this Chapter.	Article 39 The Company and its subsidiaries shall not at any time give financial assistance in any way to any person acquiring or proposing to acquire shares in the Company. The aforesaid persons acquiring the shares in the Company include those who have incurred, directly or indirectly, any liability for the purpose of acquiring shares in the Company. The Company or its subsidiaries shall not at any time give financial assistance in any way to the persons who have incurred such liability for the purpose of reducing or discharging that liability. This Article is not applicable to the circumstances described in Article 41 of this Chapter.

Existing Articles	Amended contents of the Articles
Article 40 In this chapter, financial assistance includes, but not limited to, the following meanings: (I) gifts; (II) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than the compensation in respect of the Company's own default) or release or waiver of any rights; (III) provision of loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the novation of, or the assignment of rights arising under, such loan or agreement; or (IV) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent. In this chapter, "incurs any obligation" includes the assumption of obligations by the changing of the obligor's financial position by way of contract or the making of an arrangement (whether enforceable or not, and whether such obligation is to be borne solely by such person or jointly with any other persons), or through changing one's financial position by any other means.	Article 40 In this chapter, financial assistance includes, but not limited to, the following meanings: (I) gifts; (II) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than the compensation in respect of the Company's own default) or release or waiver of any rights; (III) provision of loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the novation of, or the assignment of rights arising under, such loan or agreement; or (IV) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent. In this chapter, "incurs any obligation" includes the assumption of obligations by the changing of the obligor's financial position by way of contract or the making of an arrangement (whether enforceable or not, and whether such obligation is to be borne solely by such person or jointly with any other persons), or through changing one's financial position by any other means.

Existing Articles	Amended contents of the Articles
Article 41 The following activities shall not be deemed to be prohibited activities as prescribed in Article 39: (I) provision of financial assistance by the Company given in good faith and in the interest of the Company, and the main purpose in giving the financial assistance is not for the acquisition of Shares, or the giving of financial assistance is an incidental part for the purpose of certain mater plan of the Company; (II) a legal distribution of the Company's assets by way of dividends; (III) an allotment of bonus shares by means of dividends; (IV) a reduction of registered capital, a repurchase of shares or a reorganisation of the shareholding structure in accordance with the Articles of Association; (V) and the lending of money by the Company within its scope of business, provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of distributable profits; (VI) provision of money by the Company for contributions to employee share schemes, provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of distributable profits.	Article 41 The following activities shall not be deemed to be prohibited activities as prescribed in Article 39: (I) provision of financial assistance by the Company given in good faith and in the interest of the Company, and the main purpose in giving the financial assistance is not for the acquisition of Shares, or the giving of financial assistance is an incidental part for the purpose of certain mater plan of the Company; (II) a legal distribution of the Company's assets by way of dividends; (III) an allotment of bonus shares by means of dividends; (IV) a reduction of registered capital, a repurchase of shares or a reorganisation of the shareholding structure in accordance with the Articles of Association; (V) and the lending of money by the Company within its scope of business, provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of distributable profits; (VI) provision of money by the Company for contributions to employee share schemes; provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of distributable profits.

Existing Articles	Amended contents of the Articles
	For the benefit of the Company, the Company <u>may, by resolution at the general meeting or resolution of the Board in accordance with the Articles of Association or the authorization at the general meeting, and in compliance with Hong Kong Listing Rules, provide financial assistance to others for acquiring shares of the Company or its parent company, but the cumulative total amount of financial assistance shall not exceed 10% of the total issued share capital. Resolution of the Board shall be approved by more than two-thirds of all Directors.</u>
Section 5 Share Certificates and Register of Shareholders	Section 5 Share Certificates and Register of Shareholders
Article 42 The Company's share certificates shall be in registered form. The following major items shall be specified on the share certificate of the Company: (I) the Company's name; (II) the date of registration of the Company; (III) the class of the share certificate, par value and number of shares represented by the share certificate; (IV) the serial number of the share certificate; (V) a share certificate of the Company shall also contain other items required to be specified by the stock exchange(s) on which the shares of the Company are listed.	Article 42 The Company's share certificates shall be in registered form. The following major items shall be specified on the share certificate of the Company <u>in paper form</u>: (I) the Company's name; (II) the date of registration of the Company <u>or the date of issuance of the share certificate</u>; (III) the class of the share certificate, par value and number of shares represented by the share certificate; (IV) the serial number of the share certificate; (V) a share certificate of the Company shall also contain other items required to be specified by the stock exchange(s) on which the shares of the Company are listed.

Existing Articles	Amended contents of the Articles
Article 44 The Company shall keep a register of shareholders which shall contain the following particulars: (I) the name and domicile of each shareholder; (II) the class and number of shares held by each shareholder; (III) the serial numbers of the shares held by each shareholder; (IV) the date on which each shareholder acquires shares; The register of shareholders shall be the full evidence of the shareholders' shareholding in the Company, unless there is evidence to the contrary.	Article 44 The Company shall keep a register of shareholders which shall contain the following particulars: (I) the name and domicile of each shareholder; (II) the class and number of shares held by each shareholder; (III) <u>for share certificates issued in paper form</u>, the serial numbers of the shares held by each shareholder; (IV) the date on which each shareholder acquires shares; The register of shareholders shall be the full evidence of the shareholders' shareholding in the Company, unless there is evidence to the contrary.
Article 46 Where the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting or the base date on which the Company decides to distribute dividends, such provisions shall prevail.	Article 46 Where the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting <u>general meeting</u> or the base date on which the Company decides to distribute dividends, such provisions shall prevail.
Article 49 Applications for re-issue of shares by holders of domestic shares shall be processed pursuant to Article 143 of the Company Law.	Article 49 Applications for re-issue of shares by holders of domestic shares shall be processed pursuant to Article 143<u>64</u> of the Company Law.

Existing Articles	Amended contents of the Articles
CHAPTER 4 SHAREHOLDERS AND GENERAL MEETINGS	CHAPTER 4 SHAREHOLDERS AND GENERAL MEETINGS
Section 1 Shareholders	Section 1 Shareholders
Article 52 A shareholder of the Company is a person who legally holds the shares of the Company and has had his name entered in the register of shareholders. Shareholders shall enjoy the rights and have the obligations according to the category and amount of shares held by them. Shareholders holding shares of the same class shall enjoy equal rights and have the same obligations.	Article 52 A shareholder of the Company is a person who legally holds the shares of the Company and has had his name entered in the register of shareholders. Shareholders shall enjoy the rights and have the obligations according to the <u>class</u> category and amount of shares held by them. Shareholders holding shares of the same class shall enjoy equal rights and have the same obligations.

Existing Articles	Amended contents of the Articles
Article 53 The ordinary shareholders of the Company shall be entitled to the following rights: (I) the right to dividends and other distributions in proportion to the number of shares held; (II) the right to lawfully request, convene, preside over, attend or appoint a proxy to attend general meeting and to exercise the relevant voting right; (III) the right to supervise the operations of the Company and to put forward proposals and raise inquiries; (IV) the right to transfer, donate or pledge shares held by them in accordance with the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and provisions of this Articles; (V) to inspect the Articles of Association, register of shareholders, corporate bond stubs, minutes of general meetings, resolutions of meetings of the Board of Directors, resolutions of meetings of the Supervisory Committee and financial accounting reports; (VI) in the event of termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in accordance with the number of shares held; (VII) with respect to shareholders who voted against any resolution adopted at the general meeting on the merger or demerger of the Company, to demand the Company to buy back the shares held by them; (VIII) such other rights prescribed by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or Articles of Association.	Article 53 The ordinary shareholders of the Company shall be entitled to the following rights: (I) the right to dividends and other distributions in proportion to the number of shares held; (II) the right to lawfully request, <u>to hold</u>, convene, preside over, attend or appoint a proxy to attend general meeting and to exercise the relevant <u>speaking right and</u> voting right, <u>unless they are required by the Company Law, the Hong Kong Listing Rules and the Articles of Association to abstain from voting on individual matters</u>; (III) the right to supervise the operations of the Company and to put forward proposals and raise inquiries; (IV) the right to transfer, donate or pledge shares held by them in accordance with the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and provisions of this Articles; (V) to inspect <u>and copy</u> the Articles of Association, register of shareholders, corporate bond stubs, minutes of general meetings, resolutions of meetings of the Board of Directors, resolutions of meetings of the Supervisory Committee and financial accounting reports; <u>Shareholders who are in compliance with the provisions may inspect the Company's accounting books and accounting evidences</u>; (VI) in the event of termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in accordance with the number of shares held; (VII) with respect to shareholders who voted against any resolution adopted at the general meeting on the merger or demerger of the Company, to demand the Company to buy back the shares held by them; (VIII) such other rights prescribed by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or Articles of Association.

Existing Articles	Amended contents of the Articles
Article 54 Where a shareholder asks to review the information mentioned in the preceding Article or makes a request for information, he or she shall submit to the Company written documents evidencing the classification and number of shares he or she holds. The Company shall provide information as requested by the shareholder after authenticating his or her identity.	Article 54 Where a shareholder asks to review <u>and copy</u> the information mentioned in the preceding Article or makes a request for information, Hhe or she shall submit to the Company written documents evidencing the classification and number of shares he or she holds <u>in accordance with the provisions of laws and administrative regulations such as the Company Law, the Securities Law, and the regulatory rules of the place where the Company's shares are listed.</u> The Company shall provide information as requested by the shareholder after authenticating his or her identity.
Article 55 Where the content of a resolution of the general meeting or the Board meeting of the Company violates laws or administrative regulations, the shareholders shall be entitled to request the People's Court to hold it invalid. If the convening procedure or voting method of a general meeting or Board meeting violates laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, the shareholders shall be entitled to request the People's Court to revoke the resolution within 60 days from the date it was made.	Article 55 Where the content of a resolution of the general meeting or the Board meeting of the Company violates laws or administrative regulations, the shareholders shall be entitled to request the People's Court to hold it invalid. If the convening procedure or voting method of a general meeting or Board meeting violates laws, administrative regulations or the Articles of Association, or if the content of a resolution violates the Articles of Association, the shareholders shall be entitled to request the People's Court to revoke the resolution within 60 days from the date it was made. <u>However, this shall not apply to cases where the convening procedure or voting method of the general meeting or Board meeting have only minor defects and do not have a material impact on the resolution.</u>

Existing Articles	Amended contents of the Articles
	<u>Where there is a dispute among the Board, shareholders, or other relevant parties regarding the validity of a general meeting resolution, they shall promptly initiate a lawsuit with the People's Court. Before the People's Court renders a judgment or ruling to revoke the resolution, the relevant parties shall implement the resolution of the general meeting. The Company, directors, and senior management shall earnestly perform their duties to ensure the normal operation of the Company.</u> <u>Upon the People's Court rendering a judgment or ruling on relevant matters, the Company shall fulfil its information disclosure obligations in accordance with the laws, administrative regulations, the rules of the CSRC and the stock exchanges, fully explain the impact, and actively cooperate with the enforcement after the judgment or ruling takes effect. Where it involves correcting prior matters, the Company shall promptly process and fulfil the corresponding information disclosure obligations.</u>

Existing Articles	Amended contents of the Articles
Article 56 In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations or the Articles of Association by the directors or senior management when performing their duties in the Company, the shareholders holding 1% or more shares of the Company separately or jointly for over 180 consecutive days may submit a written request to the Supervisory Committee to file an action with the People’s Court. Where supervisors violate laws, administrative regulations or the Articles of Association in their duty performance and cause loss to the Company, the above shareholders may submit a written request to the Board of Directors to file an action with the People’s Court. In the event that the Supervisory Committee or the Board of Directors refuses to file an action upon receipt of the shareholders’ written request specified in the preceding paragraph, or fails to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the shareholders specified in the preceding paragraph may, in their own name, directly file an action to the People’s Court for the interest of the Company. In the event that any other person infringes upon the legitimate rights and interests of the Company and causes losses thereto, the shareholders specified in paragraph 1 of this Article may file an action with the People’s Court pursuant to the provisions of the preceding two paragraphs.	Article 56 In the event of any loss caused to the Company as a result of violation of any laws, administrative regulations or the Articles of Association by the directors or senior management when performing their duties in the Company, the shareholders holding 1% or more shares of the Company separately or jointly for over 180 consecutive days may submit a written request to the Supervisory Committee to file an action with the People’s Court. Where supervisors violate laws, administrative regulations or the Articles of Association in their duty performance and cause loss to the Company, the above shareholders may submit a written request to the Board of Directors to file an action with the People’s Court.

Existing Articles	Amended contents of the Articles
	In the event that the Supervisory Committee or the Board of Directors refuses to file an action upon receipt of the shareholders' written request specified in the preceding paragraph, or fails to file an action within 30 days upon receipt thereof, or in the event that the failure to immediately file an action in an emergency case will cause irreparable damage to the interests of the Company, the shareholders specified in the preceding paragraph may, in their own name, directly file an action to the People's Court for the interest of the Company. In the event that any other person infringes upon the legitimate rights and interests of the Company and causes losses thereto, the shareholders specified in paragraph 1 of this Article may file an action with the People's Court pursuant to the provisions of the preceding two paragraphs. <u>If the directors, supervisors or senior management of a wholly-owned subsidiary of the Company are involved in any of the circumstances set forth in the preceding paragraph, or if any other person has infringed upon the legitimate rights and interests of a wholly-owned subsidiary of the Company and causes losses, shareholders of a limited liability company, or shareholders of a joint stock limited company who severally or jointly hold more than 1% of shares of the Company for over 180 consecutive days may, in accordance with the provisions of the preceding three paragraphs, request in writing to the board of supervisors or the Board of the wholly-owned subsidiary to initiate legal proceedings in the People's Court, or directly initiate legal proceedings in their own names in the People's Court.</u>

Existing Articles	Amended contents of the Articles
Article 58 Holders of the ordinary shares of the Company shall have the following obligations: (I) to abide by the laws, administrative regulations and the Articles of Association; (II) to pay the share subscription price based on the shares subscribed and the method of subscription; (III) not to withdraw shares unless required by the laws and regulations; (IV) not to abuse their shareholders' rights to harm the legitimate interests of the Company or other shareholders, and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the legitimate interests of any creditor of the Company; (V) to assume other obligations required by the laws, administrative regulations and the Articles of Association. Shareholders of the Company who abuse their shareholders' rights and thereby cause loss to the Company or other shareholders shall be liable for indemnity according to the law. Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.	Article 58 Holders of the ordinary shares of the Company shall have the following obligations:_(I) to abide by the laws, administrative regulations and the Articles of Association; (II) to pay the share subscription price <u>subscription amount</u> based on the shares subscribed and the method of subscription; (III) not to withdraw shares <u>capital</u> unless required by the laws and regulations; (IV) not to abuse their shareholders' rights to harm the legitimate interests of the Company or other shareholders, and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the legitimate interests of any creditor of the Company; (V) to assume other obligations required by the laws, administrative regulations and the Articles of Association Shareholders of the Company who abuse their shareholders' rights and thereby cause loss to the Company or other shareholders shall be liable for indemnity according to the law. Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Section 2 General Provisions of the General Meetings	Section 2 General Provisions of the General Meetings
Article 62 The general meeting is the Company's authoritative organization which shall exercise its functions and powers in accordance with the laws.	Article 62 <u>The general meeting of the Company is composed of all shareholders.</u> The general meeting is the Company's authoritative organization which shall exercise its functions and powers in accordance with the laws.

Existing Articles	Amended contents of the Articles
Article 63 The general meeting shall have the following functions and powers: (I) to decide the Company's operational policies and investment plans; (II) to elect and replace directors and supervisors who are not staff representatives and decide on matters relating to their remuneration; (III) to consider and approve the reports of the Board; (IV) to consider and approve the reports of the Supervisory Committee; (V) to consider and approve the Company's proposed annual budgets and final accounts; (VI) to consider and approve the Company's profit distribution plans and loss recovery plans; (VII) to decide on the increase or reduction of the Company's registered capital; (VIII) to decide on matters such as merger, division, dissolution, liquidation and change in the form of the Company; (IX) to decide on the issue of debentures by the Company; (X) to decide on the appointment, dismissal and non-reappointment of the accounting firms of the Company; (XI) to amend the Articles of Association; (XII) to consider the motions raised by shareholders who represent more than 3% (inclusive) of the total number of voting shares of the Company; (XIII) to decide on the repurchase of shares by the Company under the circumstances as provided in items (I), (II) of Article 30 of the Articles of Association; (XIV) to consider equity incentive plans and employee stock ownership plans; (XV) other matters which, according to the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, should be resolved by shareholders at general meetings. Except as otherwise provided by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and the CSRC, the aforesaid powers and functions of the general meeting shall not be exercised by the Board of Directors or any other body or individual on its behalf by way of authorization, except that the Board of Directors or the Directors may be authorized to deal with or implement the matters in respect of which the relevant resolution is passed by voting at the general meeting of shareholders.	Article 63 The general meeting shall have the following functions and powers: (I) to decide the Company's operational policies and investment plans; (H) to elect and replace directors and supervisors who are not staff representatives and decide on matters relating to their remuneration; (IH) to consider and approve the reports of the Board; (IIIV) to consider and approve the reports of the Supervisory Committee; (V) to consider and approve the Company's proposed annual budgets and final accounts; (IVH) to consider and approve the Company's profit distribution plans and loss recovery plans; (VH) to decide on the increase or reduction of the Company's registered capital; (VIH) to decide on matters such as merger, division, dissolution, liquidation and change in the form of the Company; (IXVII) to decide on the issue of debentures by the Company; (XVIII) to decide on the appointment, dismissal and non-reappointment of the accounting firms of the Company <u>that undertake the Company's audit business;</u> (IXH) to amend the Articles of Association; (XH) to consider the motions raised by shareholders who represent more than 3% (inclusive) of the total number of voting shares of the Company <u>(excluding treasury shares)</u> ; (XIH) to decide on the repurchase of shares by the Company under the circumstances as provided in items (I), (II) of Article 30 of the Articles of Association; (XIIV) to consider equity incentive plans and employee stock ownership plans; (XIIIV) other matters which, according to the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and the Articles of Association, should be resolved by shareholders at general meetings.

Existing Articles	Amended contents of the Articles
	<u>The general meeting may authorize the Board to decide the issuance of corporate bonds.</u> Except as otherwise provided by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and the CSRC, the aforesaid powers and functions of the general meeting shall not be exercised by the Board of Directors or any other body or individual on its behalf by way of authorization, except that the Board of Directors or the Directors may be authorized to deal with or implement the matters in respect of which the relevant resolution is passed by voting at the general meeting of shareholders.

Existing Articles	Amended contents of the Articles
	For the avoidance of doubt, (1) the general meeting may authorize the Board to decide to <u>issue shares not exceeding 50% of the issued shares within three years in accordance with the Company Law, and the relevant resolution of the Board shall be adopted by two-thirds or more of all the Directors. However, a resolution of the general meeting shall be required in the case of capital contributions in the form of non-monetary property. If the Board decides to issue shares in accordance with the preceding paragraph, resulting in a change in the Company's registered capital or the number of issued shares, the modification of such matters recorded in the Articles of Association shall not be subject to voting at the general meeting;</u> (2) the Board shall be authorized at these general meeting in accordance with these Articles of Association, who shall have the mandate to acquire the shares of the Company under the circumstances set forth in paragraphs 1(3), (5) and (6) of Article 30 of the Articles of Association by resolution of the Board of Directors at a meeting of the Board of Directors attended by more than two-thirds of the Directors; if the Board of Directors decides to issue, repurchase shares in accordance with the provisions of the foregoing paragraph, which results in the change in the registered capital of the Company and the number of issued shares, the amendment of the matters recorded in the Articles of Association shall not be subject to the vote of the general meeting. However, in case of provisions otherwise as prescribed under the securities regulatory rules of the place where the Company's shares are listed in respect of the matters referred to in (1) to (2) above, such provisions shall also apply.

Existing Articles	Amended contents of the Articles
Article 64 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings are held once a year and within six months from the end of the preceding financial year. Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of occurrence: (I) the number of directors is less than that is required by the Company Law or two-thirds of the number of directors specified in the Articles of Association; (II) the accumulated losses of the Company amount to one-third of the total amount of its paid- in share capital; (III) requested by Shareholder(s) severally or jointly holding 10% or above of the Company's shares; (IV) it is deemed necessary by the Board; (V) requested by the Supervisory Committee; (VI) other circumstances as stipulated by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or these Articles of Association.	Article 64 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings are held once a year and within six months from the end of the preceding financial year. Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of occurrence: (I) the number of directors is less than that is required by the Company Law or two-thirds of the number of directors specified in the Articles of Association; (II) the accumulated losses of the Company amount to one-third of the total amount of its paid-in share capital; (III) requested by Shareholder(s) severally or jointly holding 10% or above of the Company's shares; (IV) it is deemed necessary by the Board; (V) requested by the Supervisory Committee; (VI) other circumstances as stipulated by laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or these Articles of Association.

Existing Articles	Amended contents of the Articles
Article 65 The Company shall convene a general meeting at its domicile, place of production and operation or other location as specified in the notice of the meeting. A general meeting shall be convened on-site at a venue. Where permitted by the regulatory rules of the place where the Company's shares are listed, it may also be convened in such other manner as may be recognized or required by the regulatory rules of the place where the Company's shares are listed. Subject to the provisions of laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, the Company may, where appropriate, provide online participation and voting to facilitate shareholders' participation in the general meetings. Shareholders participating in the general meeting through the above means shall be deemed to be present.	Article 65 The Company shall convene a general meeting at, <u>including</u>, its domicile, place of production and operation or other location as specified in the notice of the meeting. A general meeting shall be convened on-site at a venue. Where permitted by the regulatory rules of the place where the Company's shares are listed, it may also be convened in such other manner <u>(including virtual means)</u> as may be recognized or required by the regulatory rules of the place where the Company's shares are listed, <u>such as holding meetings via electronic communication or other virtual means</u>. Subject to the provisions of laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed, the Company may, where appropriate, provide online participation and, <u>e-voting and electronic communication</u> to facilitate shareholders' participation, <u>speaking and voting</u> in the general meetings. Shareholders participating in the general meeting through the above means shall be deemed to be present.

Existing Articles	Amended contents of the Articles
Section 3 Convening of the General Meeting	Section 3 Convening of the General Meeting
Article 66 The general meeting shall be convened by the Board, and if the Board is unable to perform or fails to perform its duty to convene the general meeting, the Supervisory Committee shall promptly convene and preside over the meeting; If the Supervisory Board does not convene and preside over the meeting, shareholders who individually or collectively hold more than ten percent of the Company's shares for more than ninety consecutive days may convene and preside over the meeting on their own.	Article 66 The general meeting shall be convened by the Board, and if the Board is unable to perform or fails to perform its duty to convene the general meeting, the Supervisory Committee shall promptly convene and preside over the meeting; If the Supervisory Board does not convene and preside over the meeting, shareholders who individually or collectively hold more than ten percent of the Company's shares for more than ninety consecutive days may convene and preside over the meeting on their own.

Existing Articles	Amended contents of the Articles
Article 67 An extraordinary general meeting may be convened upon proposal by independent non-executive directors to the Board of Directors. For the proposal of independent non-executive directors to convene an extraordinary general meeting, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, it shall, within five days after the resolution is made, issue a notice calling for the meeting. If the Board of Directors does not agree to convene such meeting, the reasons shall be stated and announced.	Article 67 <u>With the simple majority approval of all independent Directors,</u> An extraordinary general meeting may be convened upon proposal by independent non-executive directors to the Board of Directors. For the proposal of independent non-executive directors to convene an extraordinary general meeting, the Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, it shall, within five days after the resolution is made, issue a notice calling for the meeting. If the Board of Directors does not agree to convene such meeting, the reasons shall be stated and announced.

Existing Articles	Amended contents of the Articles
Article 68 The Supervisory Committee is entitled to propose to the Board of Directors to convene the extraordinary general meeting, provided that the proposal shall be made in written form. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within 5 days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the Supervisory Committee. When the Board of Directors does not agree to convene an extraordinary general meeting, or does not provide written reply within 10 days upon receipt of the proposal, the Board of Directors shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. The Supervisory Committee may convene and preside over the meeting on its own.	Article 68 The Supervisory Committee is entitled to propose to the Board of Directors to convene the extraordinary general meeting, provided that the proposal shall be made in written form. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within 5 days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the Supervisory Committee. When the Board of Directors does not agree to convene an extraordinary general meeting, or does not provide written reply within 10 days upon receipt of the proposal, the Board of Directors shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. The Supervisory Committee may convene and preside over the meeting on its own.

Existing Articles	Amended contents of the Articles
Article 69 Shareholders who individually or collectively hold more than ten percent of the Company's shares are entitled to propose to the Board of Directors to convene the extraordinary general meeting, provided that the proposal shall be made in written form. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within 5 days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the shareholders. When the Board of Directors does not agree to convene an extraordinary general meeting or does not provide a written reply within 10 days upon receipt of the proposal, the shareholders who individually or collectively hold more than ten percent of the Company's shares are entitled to propose to the Supervisory Committee to convene the extraordinary general meeting, provided that the proposal shall be made in written form. When the Supervisory Committee agrees to convene an extraordinary general meeting, the Supervisory Committee shall, within 5 days after receipt of the request, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the shareholders.	Article 69 <u>If</u> Sshareholders who individually or collectively hold more than ten percent of the Company's shares are entitled to propose to the Board of Directors to convene the extraordinary general meeting, provided that the proposal shall be made in written form. The Board of Directors shall, pursuant to the provisions of laws, administrative regulations and these Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within ten days upon receipt of the proposal. When the Board of Directors agrees to convene an extraordinary general meeting, the Board of Directors shall, within 5 days after the Board resolution is made, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the shareholders. When the Board of Directors does not agree to convene an extraordinary general meeting or does not provide a written reply within 10 days upon receipt of the proposal, the shareholders who individually or collectively hold more than ten percent of the Company's shares are entitled to propose to the Supervisory Committee to convene the extraordinary general meeting, provided that the proposal shall be made in written form. When the Supervisory Committee agrees to convene an extraordinary general meeting, the Supervisory Committee shall, within 5 days after receipt of the request, issue a notice calling for the meeting. Changes in the original proposal in the notice shall be subject to the approval of the shareholders.

Existing Articles	Amended contents of the Articles
In case the Supervisory Committee fails to give the notice of such a meeting within the specified time limit, the Supervisory Committee shall be deemed to have failed to convene or preside over the meeting, in which case, the shareholders who either individually or jointly hold 10% or more of the Company's shares for more than ninety consecutive days may convene and preside over the meeting by themselves.	In case the Supervisory Committee fails to give the notice of such a meeting within the specified time limit, the Supervisory Committee shall be deemed to have failed to convene or preside over the meeting, in which case, the shareholders who either individually or jointly hold 10% or more of the Company's shares for more than ninety consecutive days may convene and preside over the meeting by themselves.
Article 70 When the Supervisory Committee or the shareholders decide to convene a general meeting by themselves, they must notify the Board of Directors in writing and at the same time file the notice with the relevant securities regulatory authority of the place where the Company is domiciled and the stock exchange where the Company's shares are listed in accordance with applicable regulations (if needed). Before an announcement on general meeting resolutions is made, the shareholding of the convening shareholders shall not be less than 10%. When the Supervisory Committee or convening shareholders decide to send a notice of the general meeting and the announcement of the resolution of the general meeting, they shall also submit the relevant certification materials to the securities regulatory authorities where the Company is domiciled and the stock exchange where the Company's shares are listed in accordance with applicable regulations.	Article 70 When the Supervisory Committee or the shareholders decide to convene a general meeting by themselves, they must notify the Board of Directors in writing and at the same time file the notice with the relevant securities regulatory authority of the place where the Company is domiciled and the stock exchange where the Company's shares are listed in accordance with applicable regulations (if needed). Before an announcement on general meeting resolutions is made, the shareholding of the convening shareholders shall not be less than 10%. When the Supervisory Committee or convening shareholders decide to send a notice of the general meeting and the announcement of the resolution of the general meeting, they shall also submit the relevant certification materials to the securities regulatory authorities where the Company is domiciled and the stock exchange where the Company's shares are listed in accordance with applicable regulations.

Existing Articles	Amended contents of the Articles
Article 71 The Board of Directors and the secretary to the Board shall cooperate with the general meeting convened by the Supervisory Committee or the shareholders on their own. The Board of Directors shall provide the register of members as at the record date. When the Supervisory Committee or shareholders convene a general meeting on their own, the expenses necessary for the meeting shall be borne by the Company.	Article 71 The Board of Directors and the secretary to the Board shall cooperate with the general meeting convened by the Supervisory Committee or the shareholders on their own. The Board of Directors shall provide the register of members as at the record date. When the Supervisory Committee or shareholders convene a general meeting on their own, the expenses necessary for the meeting shall be borne by the Company.
Section 4 Proposals and Notices of General Meetings	Section 4 Proposals and Notices of General Meetings
Article 72 The contents of a proposal shall be within the scope of the duties and powers of the general meeting, have definite themes and specific matters for resolutions, as well as be in compliance with the relevant requirements of the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.	Article 72 The contents of a proposal shall be within the scope of the duties and powers of the general meeting, have definite themes and specific matters for resolutions, as well as be in compliance with the relevant requirements of the laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed and these Articles of Association.

Existing Articles	Amended contents of the Articles
Article 73 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and any shareholders individually or jointly holding 3% or more of the Company's shares shall have the right to put forward proposals to the Company. Shareholders severally or jointly holding 3% or more of the shares of the Company, may raise the interim proposal and submit them in writing to the convenor ten days prior to the date of the shareholders' general meeting; the convenor shall, within two days after receipt of such proposals, issue a supplementary notice of the general meeting and disclose the contents of interim proposals. With the exception of the conditions mentioned above, the convener shall neither amend the proposals specified on the notice of the general meeting, nor add any new proposals after the issuance of the notice of the general meeting. Proposals which are not specified in the notice of the general meeting or which do not comply with Article 72 of these Articles of Association shall not be voted on and resolved at the general meeting.	Article 73 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and any shareholders individually or jointly holding <u>31%</u> or more of the Company's shares shall have the right to put forward proposals to the Company. Shareholders severally or jointly holding <u>31%</u> or more of the shares of the Company, may raise the interim proposal and submit them in writing to the convenor ten days prior to the date of the shareholders' general meeting<u>general meeting</u>; the convenor shall, within two days after receipt of such proposals, issue a supplementary notice of the general meeting and disclose the contents of interim proposals <u>and submit the additional proposals to the general meeting for consideration.</u> <u>However, the exceptions are when the additional proposals violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of the functions and powers of the general meeting.</u> With the exception of the conditions mentioned above, the convener shall neither amend the proposals specified on the notice of the general meeting, nor add any new proposals after the issuance of the notice of the general meeting. Proposals which are not specified in the notice of the general meeting or which do not comply with Article 72 of these Articles of Association shall not be voted on and resolved at the general meeting.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 74 The convenor shall notify the shareholders in writing 21 days before the meeting of the annual general meeting, and in case of the extraordinary general meeting, shall notify the shareholders by way of announcement 15 days prior to the meeting.	Article 74 The convenor shall notify the shareholders in writing 21 days before the meeting of the annual general meeting, and in case of the extraordinary general meeting, shall notify the shareholders by way of announcement 15 days prior to the meeting.

Existing Articles	Amended contents of the Articles
Article 75 A notice of a general meeting shall include the following: (I) the time, place and duration of the meeting; (II) matters and proposals for consideration at the meeting; (III) containing a conspicuous statement that: all shareholders of ordinary shares are entitled to attend the general meeting and may appoint in writing proxies to attend and vote instead of him and such proxy is not necessarily be a shareholder of the Company; (IV) the record date for determining the shareholders who are entitled to attend the general meeting; (V) the time and procedures for voting online or by other means. The notice of general meeting and its supplementary notice and shall fully and completely disclose all details of all proposals. If the matters to be discussed require the opinions of the independent non-executive directors, the opinions of the independent non-executive directors and the reasons thereof shall be disclosed at the same time when the notice of general meeting or its supplementary notice is issued. The interval between the record date and the date of meeting shall comply with the regulatory rules of the place where the Company's shares are listed. Once the record date is set, it cannot be changed arbitrarily. If it needs to be changed, the procedures stipulated in the regulatory rules of the place where the Company's shares are listed must be complied with.	Article 75 A notice of a general meeting shall include the following: (I) the time, place and duration of the meeting; (II) matters and proposals for consideration at the meeting; (III) containing a conspicuous statement that: all shareholders of ordinary shares are entitled to attend the general meeting and may appoint in writing proxies to attend and vote instead of him and such proxy is not necessarily be a shareholder of the Company; (IV) the record date for determining the shareholders who are entitled to attend the general meeting; (V) the time and procedures for voting online or by other means. The notice of general meeting and its supplementary notice and shall fully and completely disclose all details of all proposals. If the matters to be discussed require the opinions of the independent non-executive directors, the opinions of the independent non-executive directors and the reasons thereof shall be disclosed at the same time when the notice of general meeting or its supplementary notice is issued. The interval between the record date and the date of meeting shall comply with the regulatory rules of the place where the Company's shares are listed. Once the record date is set, it cannot be changed arbitrarily. If it needs to be changed, the procedures stipulated in the regulatory rules of the place where the Company's shares are listed must be complied with.

Existing Articles	Amended contents of the Articles
Article 76 The notice of a shareholders' general meeting shall be sent to the shareholders (whether or not such shareholders are entitled to vote at the meeting) by any methods as permitted by the stock exchange of the place where the Company's shares are listed (including but not limited to post, email, fax, announcement, release on the websites of the Company or the stock exchange of the locality where the Company's shares are listed). In case of delivery by post, the addresses of the recipients shall be those registered in the share register.	Article 76 The notice of a shareholders' general meeting<u>general meeting</u> shall be sent to the shareholders (whether or not such shareholders are entitled to vote at the meeting) by any methods as permitted by the stock exchange of the place where the Company's shares are listed (including but not limited to post, email, fax, announcement, release on the websites of the Company or the stock exchange of the locality where the Company's shares are listed). In case of delivery by post, the addresses of the recipients shall be those registered in the share register.

Existing Articles	Amended contents of the Articles
Article 77 After the notice on convening the general meeting is sent out, the general meeting shall not be postponed or cancelled and the proposal listed in the notice of the general meeting shall not be cancelled without justifiable causes. In the case of any circumstance for postponement or cancellation of the meeting, the convener shall make an announcement and explain the reasons at least two business days before the date for the planned general meeting. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. If there are special provisions in the regulatory rules of the place where the Company's shares are listed regarding the procedures for adjournment or cancellation of the general meeting, such provisions shall apply to the extent that they do not contravene the the Company Law, the Securities Law, and other laws, administrative regulations, departmental rules and normative documents.	Article 77 After the notice on convening the general meeting is sent out, the general meeting shall not be postponed or cancelled and the proposal listed in the notice of the general meeting shall not be cancelled without justifiable causes. In the case of any circumstance for postponement or cancellation of the meeting, the convener shall make an announcement and explain the reasons at least two business days before the date for the planned general meeting. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. If there are special provisions in the regulatory rules of the place where the Company's shares are listed regarding the procedures for adjournment or cancellation of the general meeting, such provisions shall apply to the extent that they do not contravene the Company Law, the Securities Law, and other laws, administrative regulations, departmental rules and normative documents.

Existing Articles	Amended contents of the Articles
Section 5 Convening of the General Meeting	Section 5 Convening of the General Meeting
Article 78 The Board of Directors and other conveners of the Company shall take necessary precautions to ensure the normal order of the general meeting. Precautions shall be taken to prevent behaviors that interfere with the general meeting, stir up trouble and infringe legal rights and interests of shareholders, which shall be timely reported to relevant departments for investigation.	Article 78 The Board of Directors and other conveners of the Company shall take necessary precautions to ensure the normal order of the general meeting. Precautions shall be taken to prevent behaviors that interfere with the general meeting, stir up trouble and infringe legal rights and interests of shareholders, which shall be timely reported to relevant departments for investigation.
Article 79 Any shareholder entitled to attend and vote at the shareholders' meeting shall have the right to appoint 1 or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. The proxy/proxies so appointed by the shareholder shall exercise the following rights: (1) have the same right as the shareholder to speak at the meeting; (2) the right to demand or join in demanding a poll; (3) the right to vote on a poll.	Article 79 Any shareholder entitled to attend and vote at the shareholders' meeting shall have the right to appoint 1 or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. The proxy/proxies so appointed by the shareholder shall exercise the following rights: (1) have the same right as the shareholder to speak at the meeting; (2) the right to demand or join in demanding a poll; (3) the right to vote on a poll.

Existing Articles	Amended contents of the Articles
Article 81 The instrument appointing a proxy shall be deposited at the residence of the Company or at some other place specified for that purpose in the notice of meeting no later than twenty-four hours prior to the meeting at which the proxy is authorized to vote or twenty-four hours before the time specified for the voting. Where such an instrument is signed by a person under power of attorney on behalf of the appointer, that power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents and the instrument appointing the proxy shall be deposited at the Company's residence or at some other place specified for that purpose in the notice of meeting. If the appointer is a legal person, its legal representative or a person appointed by its Board of Directors or other decision-making body shall be entitled to attend a shareholders' general meeting of the Company as its proxy, and attendance or actions by the appointee at such meeting shall for the purpose of the Articles be deemed the attendance or (as the case may be) actions of the appointer. Where such shareholder is a recognized clearing house (or its nominees) within the meaning of the laws in Hong Kong, the shareholder may authorize a person or persons as he thinks fit to act as his representative (or representatives) at any general meeting, provided that if more than one person is so authorized, the authorization must specify the number and class of shares in respect of which each such person is so authorized. The person so authorized is entitled to exercise the rights which can be exercised by the recognized clearing house (or its nominees) on behalf of the recognized clearing house (or its nominees) as if he was an individual shareholder of the Company.	Article 81 The instrument appointing a proxy shall be deposited at the residence of the Company or at some other place specified for that purpose in the notice of meeting no later than twenty-four hours prior to the meeting at which the proxy is authorized to vote or twenty-four hours before the time specified for the voting. Where such an instrument is signed by a person under power of attorney on behalf of the appointer, that power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents and the instrument appointing the proxy shall be deposited at the Company's residence or at some other place specified for that purpose in the notice of meeting. If the appointer is a legal person, its legal representative or a person appointed by its Board of Directors or other decision-making body shall be entitled to attend a shareholders' general meeting of the Company as its proxy, and attendance or actions by the appointee at such meeting shall for the purpose of the Articles be deemed the attendance or (as the case may be) actions of the appointer. Where such shareholder is a recognized clearing house (or its nominees) within the meaning of the laws in Hong Kong, the shareholder may authorize a person or persons as he thinks fit to act as his representative (or representatives) at any general meeting, provided that if more than one person is so authorized, the authorization must specify the number and class of shares in respect of which each such person is so authorized. The person so authorized is entitled to exercise the rights which can be exercised by the recognized clearing house (or its nominees) on behalf of the recognized clearing house (or its nominees) as if he was an individual shareholder of the Company.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 84 Where a director, supervisor or senior management is required to attend a general meeting, such director, supervisor or senior management shall attend the meeting and answer the queries from shareholders. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforementioned persons may attend the meeting or be present at the meeting through internet, video, telephone or other equivalent means.	Article 84 Where a director, supervisor or senior management is required to attend a general meeting, such director, supervisor or senior management shall attend the meeting and answer the queries from shareholders. Subject to compliance with the securities regulatory rules of the place where the Company's shares are listed, the aforementioned persons may attend the meeting or be present at the meeting through internet, video, telephone or other equivalent means.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 85 The general meeting shall be presided by the chairman of the Board. Where the chairman of the Board is unable to or fails to perform his duty, the meeting shall be presided by the vice chairman of the Board (where the Company has two or more vice chairmen, the meeting shall be presided by the vice chairman elected by not less than one-half of all directors). Where the vice chairman of the Board is unable to or fails to perform his duty, a director elected by more than one-half of all directors shall preside over the meeting. If a general meeting is convened by the Supervisory Committee itself, board of the chairman of the Supervisory Committee shall preside over the meeting. If the chairman of the Supervisory Committee is unable to or will not discharge his duties, not less than one half of the supervisors shall nominate a supervisor to preside over the meeting. If a general meeting is convened by the shareholders themselves, the convener will nominate a representative to conduct the meeting. In a general meeting, if the chairman of the meeting contravenes the meeting procedures, making the meeting impossible to proceed, with consent from more than one-half of the attending shareholders with voting rights, the shareholders may nominate one person to serve as the chairman and continue with the meeting.	Article 85 The general meeting shall be presided by the chairman of the Board. Where the chairman of the Board is unable to or fails to perform his duty, the meeting shall be presided by the vice chairman of the Board (where the Company has two or more vice chairmen, the meeting shall be presided by the vice chairman elected by not less than one-half of all directors). Where the vice chairman of the Board is unable to or fails to perform his duty, a director elected by more than one-half of all directors shall preside over the meeting. If a general meeting is convened by the Supervisory Committee itself, board of the chairman of the Supervisory Committee shall preside over the meeting. If the chairman of the Supervisory Committee is unable to or will not discharge his duties, not less than one half of the supervisors shall nominate a supervisor to preside over the meeting. If a general meeting is convened by the shareholders themselves, the convener will nominate a representative to conduct the meeting. In a general meeting, if the chairman of the meeting contravenes the meeting procedures, making the meeting impossible to proceed, with consent from more than one-half of the attending shareholders with voting rights, the shareholders may nominate one person to serve as the chairman and continue with the meeting.

Existing Articles	Amended contents of the Articles
Article 86 There shall be minutes of the general meeting. The convenor shall ensure that the minutes are true, accurate and complete. The Directors present at the meeting and the chairman of the meeting shall sign the minutes.	Article 86 There shall be minutes of the general meeting. The convenor shall ensure that the minutes are true, accurate and complete. The Directors, <u>convener or his/her representative</u> present at <u>or attend</u> the meeting and the chairman of the meeting shall sign the minutes. <u>Minutes shall, together with the register relating to the shareholders present at the meeting in person and the proxy form if represent by proxy and valid information on results of voting online or by other means in respect of the meeting shall be kept for a period of not less than 10 years.</u>
Section 6 Voting and Resolutions at General Meetings	Section 6 Voting and Resolutions at General Meetings
Article 87 Resolutions of general meeting are divided into ordinary resolutions and special resolutions. To adopt an ordinary resolution at a general meeting, votes representing more than one half of the voting rights represented by the shareholders (including the proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed. To adopt a special resolution at a general meeting, votes representing more than two-thirds of the voting rights represented by the shareholders (including the proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.	Article 87 Resolutions of general meeting are divided into ordinary resolutions and special resolutions. To adopt an ordinary resolution at a general meeting, votes representing more than one half of the voting rights represented by the shareholders (including the proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed. To adopt a special resolution at a general meeting, votes representing more than two-thirds of the voting rights represented by the shareholders (including the proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.

Existing Articles	Amended contents of the Articles
Article 88 The following matters shall be resolved by an ordinary resolution at a general meeting: (I) working reports of the Board and the Supervisory Committee; (II) plans formulated by the Board for distribution of profits and for making up losses; (III) removal of any members of the Board and members of the Supervisory Committee, and determination of their remuneration and method of payment; (IV) annual preliminary and final budget, balance sheet, profit and loss account and other financial statements of the Company; (V) annual report of the Company; (VI) such other matters other than those specified by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or these Articles of Association to be resolved by special resolutions.	Article 88 The following matters shall be resolved by an ordinary resolution at a general meeting: (I) working reports of the Board and the Supervisory Committee; (II) plans formulated by the Board for distribution of profits and for making up losses; (III) removal of any members of the Board and members of the Supervisory Committee, and determination of their remuneration and method of payment; (IV) annual preliminary and final budget, balance sheet, profit and loss account and other financial statements of the Company; (V) annual report of the Company; (VI) such other matters other than those specified by laws, administrative regulations, the regulatory rules of the place where the Company's shares are listed or these Articles of Association to be resolved by special resolutions.

Existing Articles	Amended contents of the Articles
Article 89 The following matters shall be resolved by a special resolution at a general meeting: (I) the increase or decrease in share capital and the issue of shares of any class, warrants and other similar securities of the Company; (II) the issue of debentures of the Company; (III) the division, merger, dissolution, liquidation and change of the Company; (IV) amendments to the Articles of Association; (V) the amount of the Company to purchase or sell major assets or provides a guarantee, within a year, which exceeds thirty per cent of the Company's latest audited total assets; (VI) such other matters prescribed by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and these Articles of Association, and to be considered by the general meeting by way of an ordinary resolution to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution.	Article 89 The following matters shall be resolved by a special resolution at a general meeting: (I) the increase or decrease in share capital and the issue of shares of any class, warrants and other similar securities of the Company; (H) the issue of debentures of the Company; (II) the division, merger, dissolution, liquidation and change of the Company; (IV) <u>(II)</u> amendments to the Articles of Association; (V) <u>(I)</u> the amount of the Company to purchase or sell major assets or provides a guarantee <u>to another person</u>, within a year, which exceeds thirty per cent of the Company's latest audited total assets; (VI) such other matters prescribed by the laws, administrative regulations and the regulatory rules of the place where the Company's shares are listed and these Articles of Association, and to be considered by the general meeting by way of an ordinary resolution to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution.

Existing Articles	Amended contents of the Articles
Article 90 When shareholders (including proxies) vote at the general meeting, they shall exercise their voting rights according to the number of voting shares they represent. Each share shall carry one voting right. The shares of the Company held by the Company shall not be entitled to vote and shall not be calculated in the total number of shares with voting rights held by the present shareholder. Where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or dissenting votes on a certain issue in accordance with the Hong Kong Listing Rules, the said shareholder shall observe the aforesaid rules; any vote cast by any shareholder or proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results.	Article 90 When shareholders (including proxies) vote at the general meeting, they shall exercise their voting rights according to the number of voting shares they represent. Each share shall carry one voting right. The shares of the Company held by the Company shall not be entitled to vote and shall not be calculated in the total number of shares with voting rights held by the present shareholder. Where any shareholder is required to waive his/her voting rights or is restricted to cast only affirmative or dissenting votes on a certain issue in accordance with the Hong Kong Listing Rules, the said shareholder shall observe the aforesaid rules; any vote cast by any shareholder or proxy thereof in violation of the relevant provisions or restrictions shall not be counted into the voting results.

Existing Articles	Amended contents of the Articles
Article 91 Where relevant connected transactions are considered at a general meeting, the connected shareholders shall not participate in voting and the number of voting shares represented by them shall not be counted in the total number of valid votes; the announcement of any resolution of the general meeting shall adequately disclose the voting by unconnected persons. When relevant connected transactions are considered at a general meeting, the connected shareholders shall proactively abstain from voting. If connected shareholders do not proactively abstain from voting, other shareholders attending the meeting shall be entitled to require them to abstain from voting. Upon the abstention of the connected shareholders, other shareholders shall vote as per their voting rights and adopt corresponding resolutions in accordance with these Articles of Association; the presider of the meeting shall declare the number of attending shareholders and proxies (other than connected shareholders) as well as the total number of their voting shares. Resolution at a general meeting on a connected transaction shall be passed by votes representing more than one-half of the voting rights held by unconnected shareholders attending the general meeting. However, if the connected transaction involves a matter requiring a special resolution under these Articles of Association, the resolution of the general meeting shall be passed by votes representing more than two-thirds of the voting rights held by unconnected shareholders attending the general meeting. If a connected shareholder participates in voting in contravention of this Article, his/her vote on relevant connected transactions shall be void. If the applicable laws, administrative regulations or regulatory rules of the place where the Company's shares are listed provide otherwise, the provisions shall apply.	Article 91 Where relevant connected transactions are considered at a general meeting, the connected shareholders shall not participate in voting and the number of voting shares represented by them shall not be counted in the total number of valid votes; the announcement of any resolution of the general meeting shall adequately disclose the voting by unconnected persons. When relevant connected transactions are considered at a general meeting, the connected shareholders shall proactively abstain from voting. If connected shareholders do not proactively abstain from voting, other shareholders attending the meeting shall be entitled to require them to abstain from voting. Upon the abstention of the connected shareholders, other shareholders shall vote as per their voting rights and adopt corresponding resolutions in accordance with these Articles of Association; the presider of the meeting shall declare the number of attending shareholders and proxies (other than connected shareholders) as well as the total number of their voting shares. Resolution at a general meeting on a connected transaction shall be passed by votes representing more than one-half of the voting rights held by unconnected shareholders attending the general meeting. However, if the connected transaction involves a matter requiring a special resolution under these Articles of Association, the resolution of the general meeting shall be passed by votes representing more than two-thirds of the voting rights held by unconnected shareholders attending the general meeting. If a connected shareholder participates in voting in contravention of this Article, his/her vote on relevant connected transactions shall be void. If the applicable laws, administrative regulations or regulatory rules of the place where the Company's shares are listed provide otherwise, the provisions shall apply.

Existing Articles	Amended contents of the Articles
Article 92 Save that the Company is under exceptional circumstances such as crisis, the Company may not enter into any contract with anyone other than a director, general manager and other senior management members to assign all or a significant part of the management of the Company's business to the said person, unless with being approved by way of special resolution at a general meeting.	Article 92 Save that the Company is under exceptional circumstances such as crisis, the Company may not enter into any contract with anyone other than a director, general manager and other senior management members to assign all or a significant part of the management of the Company's business to the said person, unless with being approved by way of special resolution at a general meeting.
Article 93 List of director or supervisor candidates shall be submitted by way of proposal at general meetings. If the proposal with respect to directors or supervisors election is passed at the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the general meeting are passed.	Article 93 List of director or supervisor candidates shall be submitted by way of proposal at general meetings. If the proposal with respect to directors or supervisors election is passed at the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the general meeting are passed.
Article 94 The general meeting shall vote on all proposals presented one by one. If different proposals are made on the same matter, votes shall be cast in accordance with the sequence of presenting of the proposals. Unless the general meeting is suspended or fails to resolve due to exceptional reasons such as force majeure, the general meeting shall not lay aside or refuse the voting of proposals.	Article 94 The general meeting shall vote on all proposals presented one by one. If different proposals are made on the same matter, votes shall be cast in accordance with the sequence of presenting of the proposals. Unless the general meeting is suspended or fails to resolve due to exceptional reasons such as force majeure, the general meeting shall not lay aside or refuse the voting of proposals.

APPENDIX II

**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 95 No amendment shall be made to a proposal when it is considered at a general meeting, otherwise, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the general meeting.	Article 95 No amendment shall be made to a proposal when it is considered at a general meeting, otherwise, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the general meeting.
Article 97 Voting at general meeting will record the name of the voter, that is, by open ballot.	Article 97 Voting at general meeting will record the name of the voter, that is, by open ballot.
Article 98 Where the chairman of a general meeting has any doubt on the result of the resolution proposed for voting, he may count the number of votes cast. If no counting is made by the chairman of the meeting, any shareholder or his proxy attending the meeting who queries the results announced by the chairman shall have the right to demand a counting of the votes immediately after the announcement. The chairman shall forthwith conduct a counting of the votes as demanded. If ballots are counted at a general meeting, the counting result shall be recorded in the minutes of the meeting.	Article 98 Where the chairman of a general meeting has any doubt on the result of the resolution proposed for voting, he may count the number of votes cast. If no counting is made by the chairman of the meeting, any shareholder or his proxy attending the meeting who queries the results announced by the chairman shall have the right to demand a counting of the votes immediately after the announcement. The chairman shall forthwith conduct a counting of the votes as demanded. If ballots are counted at a general meeting, the counting result shall be recorded in the minutes of the meeting.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 99 The Company shall, in accordance with the regulatory rules of the place of listing, appoint auditors, share registrars or external accountants who are qualified to act as auditors to act as a scrutineer for the counting of votes at general meetings and disclose the identity of the scrutineer in the announcement of the poll results.	Article 99 The Company shall, in accordance with the regulatory rules of the place of listing, appoint auditors, share registrars or external accountants who are qualified to act as auditors to act as a scrutineer for the counting of votes at general meetings and disclose the identity of the scrutineer in the announcement of the poll results.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 100 Copies of the minutes of the general meetings shall be available to any shareholder for inspection during the office hours of the Company without charge. If any shareholder demands a copy of such minutes from the Company hereof, the Company shall send out the copy within seven days upon verifying the identity of the shareholder and receiving reasonable charges.	Article 100 Copies of the minutes of the general meetings shall be available to any shareholder for inspection during the office hours of the Company without charge. If any shareholder demands a copy of such minutes from the Company hereof, the Company shall send out the copy within seven days upon verifying the identity of the shareholder and receiving reasonable charges. <u>A resolution of the general meeting or board meeting of the Company shall be deemed invalid under any of the following circumstances: (I) the resolution is adopted without convening a general meeting or board meeting; (II) the resolution is not voted on at the general meeting or board meeting; (III) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association; (IV) the number of attendees voting in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association.</u>

Existing Articles	Amended contents of the Articles
CHAPTER 5 BOARD OF DIRECTORS	CHAPTER 5 BOARD OF DIRECTORS
Section 1 Directors	Section 1 Directors
Article 101 The directors shall be elected or replaced at the shareholders' general meeting and may be removed at the shareholders' general meeting before the expiration of their terms. The term of directors is three years. Upon expiry of the term, a director shall be eligible for re- election. Directors shall be elected at the shareholders' general meeting from the board of directors or the candidates nominated by shareholders representing three percent (inclusive) or more of the Company's issued shares. The shortest period for the issue of notice in writing to the Company regarding the intention to nominate candidates and the indication of the candidate of it willingness to accept such nomination shall be 7 days. Such period shall commence from the first date after the issue of the notice of the general meeting, and shall end on the seventh day prior to the convening of the general meeting. The chairman, vice-chairman shall be elected and removed by over half of all the directors. The term of the chairman and vice-chairman shall be for three years, and shall be eligible for re-election. The directors are not required to hold any shares in the Company. Subject to compliance with the relevant laws and administrative regulations, the general meeting may remove any director within his term by way of an ordinary resolution (any term in any contract in respect of compensation shall not be affected by this Article).	Article 101 The directors shall be elected or replaced at the shareholders' general meeting and may be removed at the shareholders' general meeting before the expiration of their terms. The term of directors is three years. Upon expiry of the term, a director shall be eligible for re- election. Directors shall be elected at the shareholders' general meeting from the board of directors or the candidates nominated by shareholders representing three percent (inclusive) or more of the Company's issued shares. The shortest period for the issue of notice in writing to the Company regarding the intention to nominate candidates and the indication of the candidate of its willingness to accept such nomination shall be 7 days. Such period shall commence from the first date after the issue of the notice of the general meeting, and shall end on the seventh day prior to the convening of the general meeting. The chairman, vice-chairman shall be elected and removed by over half of all the directors. The term of the chairman and vice-chairman shall be for three years, and shall be eligible for re-election. The directors are not required to hold any shares in the Company. Subject to compliance with the relevant laws and administrative regulations, the general meeting may remove any director within his term by way of an ordinary resolution (any term in any contract in respect of compensation shall not be affected by this Article).

Existing Articles	Amended contents of the Articles
Article 103 A director may resign before the expiration of his or her term of office. A resigning director shall submit a written resignation report to the board of directors. If, as a result of the resignation of a director, the number of directors on the board of directors of the Company falls below the minimum number prescribed by the law, the original director shall continue to perform the duties as a director in accordance with the laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed and these Articles of Association until the newly elected director assumes office. Except in the circumstances set out in the preceding paragraph, the resignation of a Director shall take effect when the resignation report is served on the board of directors.	Article 103 A director may resign before the expiration of his or her term of office. A resigning director shall submit a written resignation report to the board of directors <u>and the resignation shall take effect on the date of receipt of the resignation report by the Company.</u> If, as a result of the resignation of a director, the number of directors on the board of directors of the Company falls below the minimum number prescribed by the law, the original director shall continue to perform the duties as a director in accordance with the laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed and these Articles of Association until the newly elected director assumes office.Except in the circumstances set out in the preceding paragraph, the resignation of a Director shall take effect when the resignation report is served on the board of directors. <u>Subject to relevant the laws and administrative regulations, the general meeting may remove any director by an ordinary resolution (without prejudice to any claim for damages that such director may have under any contract) before the end of his or her term of office, with effect from the date of such resolution made. If a director is dismissed before the expiration of his or her term of office without justifiable reasons, the director may demand compensation from the Company.</u>

Existing Articles	Amended contents of the Articles
Article 105 A director shall be liable for compensation as regards the damages caused to the Company if he or she violates the provisions of laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed or these Articles of Association in the performance of his or her duties for the Company. The Company may purchase liability insurance against liability incurred by a director in connection with the performance of his or her duties in the Company during his or her term of office.	Article 105 <u>Where a director causes damage to others in the performance of the Company's duties, the Company shall be liable for compensation; if the director acted with intent or gross negligence, he/she shall also be liable for compensation.</u> A director shall be liable for compensation as regards the damages caused to the Company if he or she violates the provisions of laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed or these Articles of Association in the performance of his or her duties for the Company. The Company may purchase liability insurance against liability incurred by a director in connection with the performance of his or her duties in the Company during his or her term of office.

Existing Articles	Amended contents of the Articles
Section 2 Board of Directors	Section 2 Board of Directors
Article 106 The Company shall have a board of directors, which is accountable to the general meetings. The board of directors comprises eleven directors including one chairman, one vice chairman, four executive directors, three non-executive directors (who are not employees of the Company), and four independent non-executive directors (who do not have any relationship with the shareholders of the Company and who are not employees of the Company).	Article 106 The Company shall have a board of directors; which is accountable to the general meetings. The board of directors comprises eleven directors including one chairman, and one vice chairman;. <u>The number of independent non-executive Directors shall not be less than three at any time and shall account for at least one-third of the total number of the board of directors.</u> four executive directors, three non-executive directors (who are not employees of the Company), and four independent non-executive directors (who do not have any relationship with the shareholders of the Company and who are not employees of the Company) <u>The chairman and vice chairman of the board of directors shall be elected by a majority of all directors.</u>

Existing Articles	Amended contents of the Articles
Article 107 The Board shall be responsible to the general meeting and shall exercise the following powers: (I) To be responsible for the convening of the general meeting and to report on its work to the general meeting; (II) To implement the resolutions of the general meetings; (III) To decide on the Company's business plans and investment plans; (IV) To formulate the Company's annual financial budget plan and final accounts plan; (V) To formulate the Company's profit distribution plan and plan for making up losses; (VI) To formulate proposals for increases or decreases in the registered capital of the Company and the issuance and listing of debentures or other securities of the Company; (VII) To draw up plans for the major acquisition or acquisition of the Company's shares or the merger, division or dissolution of the Company or change of its form; (VIII) To decide on the establishment of the Company's internal management structure; (IX) To appoint or dismiss the Company's general manager, secretary of the board of directors and other senior management of the Company, and determine matters such as their remuneration, rewards and punishments; and pursuant to the general manager's nominations to appoint or dismiss the deputy general manager and other senior management of the Company (including financial officers) and decide their remunerations; (X) To establish the Company's basic management system; (XI) To formulate proposals for amendments to the Articles of Association;	Article 107 The Board shall be responsible to the general meeting and shall exercise the following powers: (I) To be responsible for the convening of the general meeting and to report on its work to the general meeting; (II) To implement the resolutions of the general meetings; (III) To decide on the Company's business plans and investment plans; (IV) To formulate the Company's annual financial budget plan and final accounts plan; (IV) To formulate the Company's profit distribution plan and plan for making up losses; (VI) To formulate proposals for increases or decreases in the registered capital of the Company and the issuance and listing of debentures or other securities of the Company; (VII) To draw up plans for the major acquisition or acquisition of the Company's shares or the merger, division or dissolution of the Company or change of its form; (VIII) To decide on the establishment of the Company's internal management structure; (IXVIII) To appoint or dismiss the Company's general manager, secretary of the board of directors and other senior management of the Company, and determine matters such as their remuneration, rewards and punishments; and pursuant to the general manager's nominations to appoint or dismiss the deputy general manager and other senior management of the Company (including financial officers) and decide their remunerations; (IX) To establish the Company's basic management system; (XI) To formulate proposals for amendments to the Articles of Association;

Existing Articles	Amended contents of the Articles
(XII) to prepare plan for repurchase of the shares of the Company under the circumstances as provided in items (I), (II) of Article 30 of the Articles of Association; (XIII) to decide on the repurchase of shares by the Company under the circumstances as provided in items (III), (V) or (VI) of Article 30 of the Articles of Association; (XIV) To determine the matters within the scope authorized by the general meeting, such as the Company's external investment, purchase or sales of assets, asset pledge, external guarantee, entrusting wealth management, connected transactions and external donation; (XV) To manage the disclosure of information of the Company; (XVI) To propose at the general meeting the appointment or replacement of the accounting firm that performs audit for the Company; (XVII) To receive the work report of the general manager of the Company and examine on the work of the general manager; (XVIII) Other powers conferred by the Articles of Association or the shareholders' general meeting. For the above matters, except for items (VI), (VII), (XI) and (XIII) which shall be approved by voting of more than two-thirds of the directors, others may be approved by voting by over one half of the directors. Where the number of vacancy of directors is not more than the number fixed by the Company Law or not less than two-third of the number of directors prescribed by the Articles of Association, the Board shall have power to appoint any person to be a director to fill a casual vacancy of the Board. Any director so appointed shall hold office until the next following annual general meeting and shall then be eligible for re-election.	(XIF) to prepare plan for repurchase of the shares of the Company under the circumstances as provided in items (I), (II) of Article 30 of the Articles of Association; (XIIF) to decide on the repurchase of shares by the Company under the circumstances as provided in items (III), (V) or (VI) of Article 30 of the Articles of Association; (XIIIV) To determine the matters within the scope authorized by the general meeting, such as the Company's external investment, purchase or sales of assets, asset pledge, external guarantee, entrusting wealth management, connected transactions and external donation; (XIV) To manage the disclosure of information of the Company; (XVF) To propose at the general meeting the appointment or replacement of the accounting firm that performs audit for the Company; (XVIF) To receive the work report of the general manager of the Company and examine on the work of the general manager; (XVIIF) Other powers conferred by the Articles of Association or the shareholders' general meeting.

Existing Articles	Amended contents of the Articles
	The board of directors of the Company shall <u>establish an audit committee, a nomination committee and a remuneration committee (together, the “Special Committees”) and other special committees as required. The Special Committees shall be accountable to the board of directors and perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposals of the committees shall be submitted to the board of directors for consideration and approval. All members of the Special Committees shall be the directors. The Special Committees shall not make any resolution in the name of the Board but may, subject to the mandatory requirements of the relevant PRC laws, regulations, regulatory documents and the listing rules of the stock exchange where the shares of the Company are listed, exercise its decision-making power in respect of authorized matters in accordance with the special mandate of the Board. The board of directors shall be responsible for formulating the working procedures of the Special Committees and regulating the operation of the Special Committees. Matters beyond the scope authorized by the Board shall be submitted to the general meeting for consideration.</u>

Existing Articles	Amended contents of the Articles
	For the above matters, except for items (VI), (VII), (XI) and (XII) which shall be approved by voting of more than two-thirds of the directors, others may be approved by voting by <u>simple majority</u>over one-half of the directors. Where the number of vacancy of directors is not more than the number fixed by the Company Law or not less than two-third of the number of directors prescribed by the Articles of Association, the Board shall have power to appoint any person to be a director to fill a casual vacancy of the Board. Any director so appointed shall hold office until the next following annual general meeting and shall then be eligible for re-election.
Article 108 The Chairman shall exercise the following powers: (I) To preside over the general meeting, and to convene and preside over the meetings of the Board of Directors; (II) To urge and check the implementation of board resolutions; (III) Other powers vested by the Board. The vice chairman of the Board of the Company shall assist the work of the Chairman of the Board. Whereas the Chairman is unable or fails to perform his duties, the vice chairman shall perform the duties (when there are two or more vice chairmen in the Company, the vice chairman elected by a majority of Directors shall perform the duties); if the vice chairman is unable or fail to perform his duties, one Director elected by a majority of Directors shall perform the duties.	Article 108 The Chairman shall exercise the following powers: (I) To preside over the general meeting, and to convene and preside over the meetings of the Board of Directors; (II) To urge and check the implementation of board resolutions; (III) Other powers vested by the Board. The vice chairman of the Board of the Company shall assist the work of the Chairman of the Board. Whereas the Chairman is unable or fails to perform his duties, the vice chairman shall perform the duties (when there are two or more vice chairmen in the Company, the vice chairman elected by a majority <u>simple majority</u> of Directors shall perform the duties); if the vice chairman is unable or fail to perform his duties, one Director elected by a majority <u>simple majority</u> of Directors shall perform the duties.

Existing Articles	Amended contents of the Articles
Article 112 Any regular board meeting or extraordinary meeting may be held through other electronic means of communication so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting. On matters requiring approval from the extraordinary Board Meeting, if the Board has distributed the agenda to all directors and all directors have consented to sign, then the written resolution can be reached and no Board Meeting is necessary. Such written consent shall be deemed to have the same legal effect as the resolution passed by the Board meeting convened in accordance with the procedures as stipulated in these Articles.	Article 112 Any regular board meeting or extraordinary meeting may be held through other electronic means of communication <u>or other virtual means</u> so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting. On matters requiring approval from the extraordinary Board Meeting, if the Board has distributed the agenda to all directors and all directors have consented to sign, then the written resolution can be reached and no Board Meeting is necessary. Such written consent shall be deemed to have the same legal effect as the resolution passed by the Board meeting convened in accordance with the procedures as stipulated in these Articles.

Existing Articles	Amended contents of the Articles
Article 114 When a Director is related to matters or companies that are the subject of a resolution to be decided at a Board meeting, the related Director shall not vote on that resolution, and shall not vote on behalf of other Directors. Such a Board meeting can be held if more than one-half of the non-related Directors attend. Resolutions made by the Board meeting shall be passed by more than one-half of the non-connected Directors. Resolutions involving items (VI), (VII), (XI) and (XIII) of Article 107 of these Articles of Association must be approved by voting by more than two-thirds of the non-connected Directors. The Independent Non-executive Directors shall offer their independent opinions on material connected transactions. If less than three non-connected Directors attend the Board meeting, the matter shall be submitted to the general meeting for consideration.	Article 114 When a Director is related to matters or companies <u>or individuals</u> that are the subject of a resolution to be decided at a Board meeting, <u>the director shall promptly report in writing to the Board, and</u> the related Director shall not vote on that resolution, and shall not vote on behalf of other Directors. Such a Board meeting can be held if more than one-half of the non-related Directors attend. Resolutions made by the Board meeting shall be passed by more than one-half of the non-connected Directors. Resolutions involving items (VF), <u>(VIF)</u>, <u>(XI)</u> and <u>(XIIF)</u> of Article 107 of these Articles of Association must be approved by voting by more than two-thirds of the non-connected Directors. The Independent Non-executive Directors shall offer their independent opinions on material connected transactions. If less than three non-connected Directors attend the Board meeting, the matter shall be submitted to the general meeting for consideration.

Existing Articles	Amended contents of the Articles
CHAPTER 7 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT	CHAPTER 7 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT
Article 120 The Company shall have one general manager, who shall be appointed or dismissed by the Board.	Article 120 The Company shall have one general manager, who shall be appointed or dismissed by <u>the decision of</u> the Board.
Article 121 The general manager serves for a term of three years, subject to re-appointment upon the expiry of the term. The general manager of the Company shall be responsible to the board of directors and shall have the following functions: (I) to be in charge of the management of production and operation and to organize the implementation of the resolutions of the Board, and to report his/her work to the Board; (II) to organize the implementation of the annual business plans and investment plans of the Company; (III) to draft proposals for the establishment of internal management bodies of the Company; (IV) to draft the basis management system of the Company; (V) to formulate the basic rules and regulations of the Company; (VI) to propose the appointment or dismissal of the deputy general manager and other senior management, including the person in charge of finance, of the Company, to the Board; (VII) to appoint or dismiss the management personnel other than those required to be appointed or dismissed by the Board; (VIII) other functions granted by the Articles of Association and the Board.	Article 121 The general manager serves for a term of three years, subject to re-appointment upon the expiry of the term. The general manager of the Company shall be responsible to the board of directors and shall have the following functions: (I) to be in charge of the management of production and operation and to organize the implementation of the resolutions of the Board, and to report his/her work to the Board; (II) to organize the implementation of the annual business plans and investment plans of the Company; (III) to draft proposals for the establishment of internal management bodies of the Company; (IV) to draft the basis management system of the Company; (V) to formulate the basic rules and regulations of the Company; (VI) to propose the appointment or dismissal of the deputy general manager and other senior management, including the person in charge of finance, of the Company, to the Board; (VII) to appoint or dismiss the management personnel other than those required to be appointed or dismissed by the Board; (VIII) other functions granted by the Articles of Association and the Board.

APPENDIX II

**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 123 If senio rmanagement breaches the laws,administrative regulations, departmental regulations, or regulatory rules of the place where the Company’s shares are listed or this Articles of Association when carrying out his duties and causes loss to the Company, he shall be held responsible for damages.	Article 123 <u>If the senior management causes damages to others in performing duties for the Company, the Company shall be liable for compensation; and if such damages are out of the intent or gross negligence of the senior management, he/she shall also be liable for compensation.</u> If senio management breaches the laws, administrative regulations, departmental regulations, or regulatory rules of the place where the Company’s shares are listed or this Articles of Association when carrying out his duties and causes loss to the Company, he shall be held responsible for damages.
Article 131 The Supervisory Committee shall comprise two shareholders’ representatives and one employee representative of the Company. Shareholders’ representatives shall be elected and removed by shareholders at a general meeting. Employee representatives shall be elected democratically and removed by the Company’s employees.	Article 131 The Supervisory Committee shall comprise two shareholders’ representatives and one employee representative of the Company. Shareholders’ representatives shall be elected and removed by shareholders at a general meeting. Employee representatives shall be elected democratically and removed by the Company’s employees.

Existing Articles	Amended contents of the Articles
Article 134 The Supervisory Committee shall be accountable to the shareholders at general meeting and shall exercise the following functions and powers according to laws: (I) to examine the Company's financial affairs; (II) to supervise the directors' and senior management's acts in performing duties of the Company, to propose removal of any director or senior management officer in violation of any laws, administrative regulations, the Articles of Association or the resolutions of the general meeting; (III) if an act of the Company's Directors, general manager and other senior managements is jeopardizing the Company's interest, then require them to rectify such act; (IV) to conduct investigations whenever unusual conditions in the operation of the Company arise and, if necessary, to engage professional institutions such as accounting firms and law firms to assist in their work with expenses to be borne by the Company; (V) to propose to convene an extraordinary general meeting of shareholders and, in the event that the Board fails to perform its duty of convening and presiding over a general meeting as required by the Company Law, to convene and preside over such meeting; (VI) to submit proposals to the general meeting; (VII) to initiate legal proceedings against any director and senior management in accordance with Article 151 of the Company Law; (VIII) to exercise other powers authorised at general meetings.	Article 134 The Supervisory Committee shall be accountable to the shareholders at general meeting and shall exercise the following functions and powers according to laws: (I) to examine the Company's financial affairs; (II) to supervise the directors' and senior management's acts in performing <u>their</u> duties of the Company, to propose removal of any director or senior management officer in violation of any laws, administrative regulations, the Articles of Association or the resolutions of the general meeting; (III) if an act of the Company's Directors, general manager and other senior managements is jeopardizing the Company's interest, then require them to rectify such act; (IV) to conduct investigations whenever unusual conditions in the operation of the Company arise and, if necessary, to engage professional institutions such as accounting firms and law firms to assist in their work with expenses to be borne by the Company; (V) to propose to convene an extraordinary general meeting of shareholders and, in the event that the Board fails to perform its duty of convening and presiding over a general meeting as required by the Company Law, to convene and preside over such meeting; (VI) to submit proposals to the general meeting; (VII) to initiate legal proceedings against any director and senior management in accordance with Article 154<u>89</u> of the Company Law; (VIII) to exercise other powers authorised at general meetings.

APPENDIX II

**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 135 Meetings of the Supervisory Committee shall be held only if more than one-half of the supervisors are present. Voting on meetings of the Supervisory Committee may be conducted by open ballot and each director shall have one vote. The resolution at a meeting of Supervisory Committee shall be passed by more than one-half of the supervisors by poll.	Article 135 <u>Any regular or extraordinary meetings of the Supervisory Committee may be held through other electronic means of communication or other virtual means, so long as the participating supervisors can hear and communicate with one another, all participating supervisors are deemed as if they had participated in the meeting in person.</u> Meetings of the Supervisory Committee shall be held only if more than one-half of the supervisors are present. Voting on meetings of the Supervisory Committee may be conducted by open ballot and each director shall have one vote. The resolution at a meeting of Supervisory Committee shall be passed by more than one-half of the supervisors by poll.

Existing Articles	Amended contents of the Articles
CHAPTER 9 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, GENERAL MANAGERS AND OTHER SENIOR MANAGEMENT OF THE COMPANY	CHAPTER 9 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, GENERAL MANAGERS AND OTHER SENIOR MANAGEMENT OF THE COMPANY
Article 137 The directors, supervisors and senior management shall comply with the laws, administrative regulations and these Articles and shall assume faithful duties and diligent duties to the Company. The directors, supervisors and senior management shall not accept bribes or other illegal income by taking advantage of their positions or rights and shall not encroach upon property of the Company.	Article 137 The directors, supervisors and senior management shall comply with the laws, administrative regulations and these Articles and shall assume faithful duties and diligent duties to the Company. <u>and shall perform their obligations of loyalty to the Company. They shall take measures to avoid conflicts between their own interests and the Company's interests, and shall not use their powers to gain undue benefits; and shall fulfill the obligations of diligence to the Company, and shall perform their duties with the reasonable care normally expected of a manager in the best interests of the Company.</u> Article 137 The directors, supervisors and senior management shall not accept bribes or other illegal income by taking advantage of their positions or rights and shall not encroach upon property of the Company.

Existing Articles	Amended contents of the Articles
Article 138 A person shall not serve as a Director, supervisor, general manager or any other senior management of the Company, if any of the following circumstances applies: (I) a person without capacity for civil conduct or with limited capacity for civil conduct; (II) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five years have elapsed since the date of the completion of the implementation of such punishment or deprivation; (III) a person who is a former director or factory manager or manager of a company or enterprise that has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise; (IV) a person who is a former legal representative of a company or enterprise that had its business license revoked due to a violation of the law and who incurred personal liability, where less than three years has elapsed since the date of the revocation of the business license; (V) a person who has a relatively large amount of debts due and outstanding; (VI) a person who is under a penalty of prohibited access to the securities market imposed by the CSRC, and the term is yet to expire; (VII) Other circumstances required by laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed; In the event that the election or appointment of any director is in violation of the provisions in this Article, the said election, appointment or engagement shall be invalid. Where any of the circumstances herein happens to any director during his/her term of office, the Company shall remove him/her from such office.	Article 138 A person shall not serve as a Director, supervisor, general manager or any other senior management of the Company, if any of the following circumstances applies: (I) a person without capacity for civil conduct or with limited capacity for civil conduct; (II) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five years have elapsed since the date of the completion of the implementation of such punishment or deprivation, <u>or who has been granted a probation of which the expiry of the probation period of the probation is less than two years</u>; (III) a person who is a former director or factory manager or manager of a company or enterprise that has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise; (IV) a person who is a former legal representative of a company or enterprise that had its business license revoked <u>or were being ordered to close down</u> due to a violation of the law and who incurred personal liability, where less than three years has elapsed since the date of the revocation of the business license <u>or being ordered to close down</u>; (V) a person who <u>has been listed by the People's Court as a person in default of execution for his/her</u>has a relatively large amount of debts due and outstanding; (VI) a person who is under a penalty of prohibited access to the securities market imposed by the CSRC, and the term is yet to expire; (VII) Other circumstances required by laws, administrative regulations, departmental rules and regulations, the regulatory rules of the place where the Company's shares are listed; In the event that the election or appointment of any director is in violation of the provisions in this Article, the said election, appointment or engagement shall be invalid. Where any of the circumstances herein happens to any director during his/her term of office, the Company shall remove him/her from such office.

Existing Articles	Amended contents of the Articles
Article 141 Each Director, Supervisor, general manager and other senior management of the Company shall observe his fiduciary obligation when discharging his duties and shall not place himself in a position where his interest and his duty may have conflict. This principle includes (but not limited to) discharging the following obligations: (I) to act in good faith in the best interests of the Company; (II) to exercise powers within the scope of his powers and not to exceed those powers; (III) to exercise the discretion vested in him personally and not allow himself to act under the control of another and, unless and to the extent permitted by laws and administrative regulations or with the informed consent of shareholders at general meeting, not to delegate the exercise of his discretion; (IV) to treat shareholders of the same class equally and to treat shareholders of different classes fairly; (V) except as otherwise provided in the Articles of Association or with the informed consent of shareholders at a general meeting, not to enter into a contract, transaction or arrangement with the Company; (VI) without the informed consent of shareholders at a general meeting, not to use the Company's property for his own benefit; (VII) not to use his functions and powers as a means to accept bribes or any other illegal income, not to expropriate the Company's property in any way, including (but not limited to) opportunities that may benefit the Company;	Article 141 Each Director, Supervisor, general manager and other senior management of the Company shall observe his fiduciary obligation when discharging his duties and shall not place himself in a position where his interest and his duty may have conflict. This principle includes (but not limited to) discharging the following obligations: (I) to act in good faith in the best interests of the Company; (II) to exercise powers within the scope of his powers and not to exceed those powers; (III) to exercise the discretion vested in him personally and not allow himself to act under the control of another and, unless and to the extent permitted by laws and administrative regulations or with the informed consent of shareholders at general meeting, not to delegate the exercise of his discretion; (IV) to treat shareholders of the same class equally and to treat shareholders of different classes fairly; (V) except as otherwise provided in the Articles of Association, <u>laws and regulations</u> or with the informed consent of shareholders at a general meeting, not to enter into a contract, transaction or arrangement with the Company; (VI) without the informed consent of shareholders at a general meeting, not to use the Company's property for his own benefit; (VII) not to use his functions and powers as a means to accept bribes or any other illegal income, not to expropriate the Company's property in any way, including (but not limited to) opportunities that may benefit the Company;

Existing Articles	Amended contents of the Articles
(VIII) without the informed consent of shareholders at a general meeting, not to accept commissions in connection with the Company's transactions; (IX) to observe the Articles of Association, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests; (X) without the informed consent of shareholders at a general meeting, not to compete with the Company in any way; (XI) not to misappropriate the Company's funds or to lend the Company's funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for the shareholder(s) of the Company or other individual(s) with the Company's assets; (XII) without the informed consent of shareholders at general meeting, not to reveal confidential information relating to the Company that was acquired by him during his tenure in the Company and not to use the information save and except where disclosure of such information is in the furtherance of the interests of the Company. However, disclosure of such information to the court or other governmental authorities is permitted under the following circumstances: 1. disclosure is made under compulsion of relevant law; 2. the interests of the public require such disclosure; 3. the interests of that Director, Supervisor, general manager or other senior management require such disclosure.	(VIII) except as otherwise provided in the <u>Articles of Association, laws and regulations or with the informed consent of shareholders at a general meeting, not to take advantage of his/her position to seek business opportunities belonging to the Company for himself/herself or others;</u> (VIII) without the informed consent of shareholders at a general meeting, not to accept commissions in connection with the Company's transactions; (IX) to observe the Articles of Association, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests; (XI) without the informed consent of shareholders at a general meeting, not to compete with the Company in any way, <u>or not to operate businesses, either self-owned or owned by others, similar to those of the Company they serve;</u> (XII) not to misappropriate the Company's funds or to lend the Company's funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for the shareholder(s) of the Company or other individual(s) with the Company's assets; (XIII) without the informed consent of shareholders at general meeting, not to reveal confidential information relating to the Company that was acquired by him during his tenure in the Company and not to use the information save and except where disclosure of such information is in the furtherance of the interests of the Company. However, disclosure of such information to the court or other governmental authorities is permitted under the following circumstances: 1. disclosure is made under compulsion of relevant law; 2. the interests of the public require such disclosure; 3. the interests of that Director, Supervisor, general manager or other senior management require such disclosure.

Existing Articles	Amended contents of the Articles
Article 145 The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with, the making of a loan to a Director, supervisor, general manager and other senior management of the Company or of the Company's parent company or any of their respective associates. The preceding provision shall not apply to the following circumstances: (I) the provision of a loan or a guarantee for a loan by the Company to a company which is a subsidiary of the Company; (II) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its Directors, supervisors, general manager and other senior management to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders at general meeting; (III) The provision of a loan or a guarantee for a loan by another person to any of its Directors, Supervisors, general managers and other senior management or their connected persons by the Company in the ordinary course of its business on normal commercial terms, where the ordinary course of business of the Company includes providing loans and providing loan guarantees.	Article 145 The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with, the making of a loan to a Director, supervisor, general manager and other senior management of the Company or of the Company's parent company or any of their respective associates. The preceding provision shall not apply to the following circumstances: (I) the provision of a loan or a guarantee for a loan by the Company to a company which is a subsidiary of the Company; (II) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its Directors, supervisors, general manager and other senior management to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders at general meeting; (III) The provision of a loan or a guarantee for a loan by another person to any of its Directors, Supervisors, general managers and other senior management or their connected persons by the Company in the ordinary course of its business on normal commercial terms, where the ordinary course of business of the Company includes providing loans and providing loan guarantees.

Existing Articles	Amended contents of the Articles
Article 147 A loan guarantee provided by the Company in breach of the first paragraph of Article 145 shall be unenforceable against the Company, unless: (I) the guarantee was provided to a connected person of a Director, Supervisor, general manager or other senior management of the Company or its holding company and at the time the loan was advanced the lender did not know the relevant circumstances; (II) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.	Article 147 A loan guarantee provided by the Company in breach of the first paragraph of Article <u>145 of the Articles of Association</u> shall be unenforceable against the Company, unless: (I) the guarantee was provided to a connected person of a Director, Supervisor, general manager or other senior management of the Company or its holding company and at the time the loan was advanced the lender did not know the relevant circumstances; (II) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.
Article 157 The Company shall not have other books of account other than the statutory books of account. Assets of the Company shall not be held in any accounts opened in the name of any individuals.	Article 157 The Company shall not have other books of account other than the statutory books of account. Asset<u>Funds</u> of the Company shall not be held in any accounts opened in the name of any individuals.

Existing Articles	Amended contents of the Articles
Article 158 The profit after tax of the Company shall be applied in the following sequence: (I) to make up the Company's losses; (II) to make appropriations to the statutory reserve fund. When the aggregate balance in the statutory reserve fund reaches 50% or more of the Company's registered capital, the Company need not make any further allocations to that fund; (III) subject to resolution at the general meeting, to make appropriations to the discretionary reserve fund; (IV) to pay dividends for the ordinary shares. No dividend or other distribution by way of bonus shares shall be distributable before making up losses, and transfer to the statutory reserve fund. The remaining profit after taxation after recovery of losses and appropriation of reserve fund shall be distributed to shareholders in proportion to their shareholdings. If the general meeting has, in violation of the preceding paragraph, distributed profit to shareholders before the Company has covered the losses and allocated statutory surplus reserve, the shareholders shall return to the Company the profit distributed in violation of regulations. No profit shall be distributed in respect of the shares held by the Company.	Article 158 The profit after tax of the Company shall be applied in the following sequence: (I) to make up the Company's losses; (II) to make appropriations to the statutory reserve fund. When the aggregate balance in the statutory reserve fund reaches 50% or more of the Company's registered capital, the Company need not make any further allocations to that fund; (III) subject to resolution at the general meeting, to make appropriations to the discretionary reserve fund; (IV) to pay dividends for the ordinary shares. No dividend or other distribution by way of bonus shares shall be distributable before making up losses, and transfer to the statutory reserve fund. The remaining profit after taxation after recovery of losses and appropriation of reserve fund shall be distributed to shareholders in proportion to their shareholdings, <u>except as otherwise provided in the Articles of Association. No profit shall be distributed in respect of the shares held by the Company.</u> If the general meeting has, in violation of the preceding paragraph, distributed profit to shareholders before the Company has covered the losses and allocated statutory surplus reserve, the shareholders <u>should</u> return to the Company the profit distributed in violation of regulations. No profit shall be distributed in respect of the shares held by the Company. <u>If losses are caused to the Company, the shareholders and the responsible Directors, Supervisors and members of the senior management should bear the liability for compensation.</u> <u>If the general meeting resolves to distribute profits, the Board of Directors shall do so within six months after the resolution is made.</u>

Existing Articles	Amended contents of the Articles
Article 159 The capital reserve fund shall include the following sums: (I) the amount of share premium arising from the issue of shares in excess of their par value; (II) other income to be credited to capital reserve fund in accordance with the provisions of the finance regulatory department of the State Council.	Article 159 The capital reserve fund shall include the following sums: (I) the amount of share premium arising from the issue of shares in excess of their par value; (II) other income to be credited to capital reserve fund in accordance with the provisions of the finance regulatory department of the State Council; <u>(III) the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital.</u>
Article 160 The reserve fund of the Company shall only be used for the following purposes: (I) loss making up: the capital reserve fund shall not be used to make up for losses. (II) converted into share capital increase. In the event of conversion of the statutory reserve fund into share capital by way of capitalization, the balance of the reserve fund shall not be less than 25% of the registered capital prior to capital injection of the Company. (III) expansion of production and operation of the Company.	Article 160 The reserve fund of the Company shall only be used for the following purposes: (I) loss making up: the capital reserve fund shall not be used to make up for losses. <u>The discretionary reserve fund and statutory reserve fund shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the provisions;</u> (II) converted into share capital increase. In the event of conversion of the statutory reserve fund into <u>registered share</u> capital by way of capitalization, the balance of the reserve fund shall not be less than 25% of the registered capital prior to capital injection of the Company. (III) expansion of production and operation of the Company.

Existing Articles	Amended contents of the Articles
Section 2 Appointment of Accounting Firm	Section 2 Appointment of Accounting Firm
Article 166 The Company shall engage an accounting firm which satisfies the requirements of the Securities Law and the regulatory rules of the place where the Company's shares are listed to audit the annual financial report of the Company and to audit other financial reports of the Company. For the purpose of this Articles of Association, the accounting firm appointed by the Company at any time shall be the auditors of the Company. The first accounting firm may be appointed by the founders meeting prior to the first annual general meeting and the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting. Where the power as provided above is not exercised by the founders meeting, it shall be exercised by the board of directors. The Company's appointment of an accounting firm must be decided upon at the shareholders' meeting. The Board of Directors may not appoint an accounting firm prior to the decision made at the shareholder's meeting (except circumstances under Article 170 of this Articles of Association).	Article 166 The Company shall engage an accounting firm which satisfies the requirements of the Securities Law and the regulatory rules of the place where the Company's shares are listed to audit the annual financial report of the Company and to audit other financial reports of the Company. For the purpose of this Articles of Association, the accounting firm appointed by the Company at any time shall be the auditors of the Company. The first accounting firm may be appointed by the founders<u>inaugural</u> meeting prior to the first annual general meeting and the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting. Where the power as provided above is not exercised by the founders<u>inaugural</u> meeting, it shall be exercised by the board of directors. The Company's appointment <u>or removal</u> of an accounting firm must be decided upon at the <u>general shareholders'</u> meeting. The Board of Directors may not appoint an accounting firm prior to the decision made at the shareholder's meeting (except circumstances under Article 170 of this Articles of Association).
Article 167 The term of the office of the accounting firm shall be from the conclusion of the current annual general meeting until the conclusion of the next annual general meeting.	Article 167 The term of the office of the accounting firm shall be from the conclusion of the current annual general meeting until the conclusion of the next annual general meeting.

APPENDIX II

**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 170 If there is a vacancy in the position of auditors of the Company, the Board may engage an accounting firm to fill the vacancy before the convening of the general meeting.	Article 170 If there is a vacancy in the position of auditors of the Company, the Board may engage an accounting firm to fill the vacancy before the convening of the general meeting.
Article 171 Notwithstanding the stipulations in the contract between the Company and the accounting firm, the shareholders in the shareholders' general meeting may by ordinary resolution remove an accounting firm before the expiration of its term of office, but without prejudice to the firm's right to claim, if any, for damages in respect of such removal.	Article 171 Notwithstanding the stipulations in the contract between the Company and the accounting firm, the shareholders in the shareholders' general meeting may by ordinary resolution remove an accounting firm before the expiration of its term of office, but without prejudice to the firm's right to claim, if any, for damages in respect of such removal.
Article 172 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders' general meeting.	Article 172 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by the shareholders' general meeting.
Article 173 Prior to the removal or the non-renewal of the appointment of the accounting firm, notice of such removal or non-renewal shall be given to the accounting firm and such firm shall be entitled to make representation at the shareholders' general meeting. Where the accounting firm resigns from its post, it shall make clear to the shareholders' general meeting whether there has been any indecent matters on the part of the Company.	Article 173 Prior to the removal or the non-renewal of the appointment of the accounting firm, notice of such removal or non-renewal shall be given to the accounting firm and such firm shall be entitled to make representation at the shareholders' general meeting. Where the accounting firm resigns from its post, it shall make clear to the shareholders' general meeting whether there has been any indecent matters on the part of the Company.

Existing Articles	Amended contents of the Articles
Article 176 Unless otherwise provided in other articles of this Articles of Association, the notice means as set out in the previous article may also be applicable to notices for shareholders' general meeting, meetings of board of directors or the Supervisory Committee.	Article 176 Unless otherwise provided in other articles of this Articles of Association, the notice means as set out in the previous article may also be applicable to notices for shareholders' general meeting, meetings of board of directors or the Supervisory Committee.
Article 180 Merger of a company may be effected both by way of absorption and by the establishment of a new entity. All parties to a merger are required to sign a merger agreement and to prepare their respective balance sheets and inventory of assets. The companies should within ten days of the resolution of the merger inform their respective creditors and publish a notice to the creditors in newspapers within thirty days of the resolution to merge. The creditors shall within thirty days after receiving written notice, and those creditors who had not received written notice may within forty-five days of the first published notice, request the Company to satisfy any outstanding indebtedness or provide guarantees covering such indebtedness. For newly merged entities, parties of the merger shall be responsible for the creditors' rights and debts of the companies subsisting after the merger.	Article 180 Merger of a company may be effected both by way of absorption and by the establishment of a new entity. All parties to a merger are required to sign a merger agreement and to prepare their respective balance sheets and inventory of assets. The companies should within ten days of the resolution of the merger inform their respective creditors and publish a notice to the creditors in newspapers <u>or on the National Enterprise Credit Information Publicity System</u> within thirty days of the resolution to merge. The creditors shall within thirty days after receiving written notice, and those creditors who had not received written notice may within forty-five days of the first published notice, request the Company to satisfy any outstanding indebtedness or provide guarantees covering such indebtedness. For newly merged entities, parties of the merger shall be responsible for the creditors' rights and debts of the companies subsisting after the merger.

Existing Articles	Amended contents of the Articles
	<u>Article 181</u> <u>Where the Company merges with a company in which it holds more than 90% of the shares, the merged company is not subject to the approval of the general meeting but shall notify other shareholders regarding the merger. Such shareholders shall have the right to request the Company to purchase their equity or shares at a reasonable price, unless otherwise provided in the Article of Association, the listing rules of the place where the shares of the Company are listed and other applicable regulations.</u> <u>Where the consideration for the merger payable by the Company does not exceed 10% of the net assets of the Company, the merger is not subject to the approval of general meeting, unless otherwise provided in the Article of Association, the listing rules of the place where the shares of the Company are listed and other applicable regulations.</u> <u>Any merger of the Company not subject to the approval of general meeting under the preceding two paragraphs shall be subject to the approval of the board of directors.</u>

Existing Articles	Amended contents of the Articles
Article 181 When a company demerges, its assets must be separated accordingly. Preparation of balance sheets and inventory of assets is required for company demerges. The companies should within ten days of the resolution of the merger inform their respective creditors and publish a notice to the creditors in newspapers within thirty days of the resolution to demerge. Debts owed by the Company prior to the demerge shall be assumed by the companies in existence after the demerge in accordance with the agreement reached.	Article 181<u>2</u> When a company demerges, its assets must be separated accordingly. Preparation of balance sheets and inventory of assets is required for company demerges. The companies should within ten days of the resolution of the merger inform their respective creditors and publish a notice to the creditors in newspapers <u>or on the National Enterprise Credit Information Publicity System</u> within thirty days of the resolution to demerge. Debts owed by the Company prior to the demerge shall be assumed by the companies in existence after the demerge in accordance with the agreement reached.

Existing Articles	Amended contents of the Articles
Article 182 Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and a list of assets. The Company shall notify its creditors within 10 days from the date of the resolution for reduction of capital and shall publish an announcement in the newspapers within 30 days. A creditor has the right within 30 days of receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debt. The registered capital of the Company after reduction shall not be less than the statutory minimum amount.	Article 1823 Where the Company needs to reduces its registered capital, it shall prepare a balance sheet and a list of assets. The Company shall notify its creditors within 10 days from the date of the resolution for reduction of capital <u>at the general meeting and shall publish an announcement in the newspapers or on the National Enterprise Credit Information Publicity System</u> within 30 days. A creditor has the right within 30 days of receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debt. The registered capital of the Company after reduction shall not be less than the statutory minimum amount. <u>When the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shareholders' capital contribution or shareholding, unless otherwise stipulated by laws and the Articles of Association.</u>

Existing Articles	Amended contents of the Articles
	<u>Article 184</u> <u>If the Company still has losses after making up for them in accordance with the provisions of paragraph 1 of Article 160 of the Articles of Association, it may reduce its registered capital to make up for the losses. Where the registered capital is reduced to make up for losses, the Company shall not make distributions to shareholders, nor shall it exempt shareholders from their obligations to make capital contributions or pay for shares.</u> <u>Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of the preceding article are not applicable. However, the Company shall announce the reduction in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the general meeting passes a resolution to reduce the registered capital.</u> <u>After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the accumulated amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.</u>

Existing Articles	Amended contents of the Articles
	<u>Article 185</u> <u>If the registered capital reduced is in violation of the Articles of Association, shareholders shall return the funds received, and any reduction or exemption of shareholders' capital contributions shall be reversed; in case of losses caused to the Company, shareholders and responsible directors, supervisors and senior management shall be liable for compensation.</u>
Article 183 Changes in registration particulars of the companies caused by merger or division must be registered with Market Supervision Bureau of Weihai City in accordance with the law. Cancellation of a company shall be registered in accordance with law when a company is dissolved. Incorporation of a company shall be registered in accordance with the law when a new company is incorporated. Where the Company increases or reduces its registered capital, it shall register the changes with the company registration authority in accordance with the laws.	Article 183 Changes in registration particulars of the companies caused by merger or division must be registered with Market Supervision Bureau of Weihai City in accordance with the law. Cancellation of a company shall be registered in accordance with law when a company is dissolved. Incorporation of a company shall be registered in accordance with the law when a new company is incorporated. Where the Company increases or reduces its registered capital, it shall register the changes with the company registration authority in accordance with the laws.

Existing Articles	Amended contents of the Articles
Section 2 Dissolution and Liquidation of the Company	Section 2 Dissolution and Liquidation of the Company
Article 184 The Company shall be dissolved for the following reasons: (I) Upon expiry of the term of business stipulated in the Articles of Association or occurrence of any other events causing dissolution stipulated in the Articles of Association; (II) A resolution for dissolution is passed at the shareholders' general meeting; (III) the Company has to be dissolved on account of its merger or separation; (IV) invalidation of business licence or closure or revocation order received according to the laws; (V) where the operation and management of the Company fall into serious difficulties and its continued existence would cause material losses to shareholders, the shareholders holding over 10% of the total voting rights of the Company may apply to the people's court to dissolve the Company if there are no other solutions.	Article 1846 The Company shall be dissolved for the following reasons: (I) Upon expiry of the term of business stipulated in the Articles of Association or occurrence of any other events causing dissolution stipulated in the Articles of Association; (II) A resolution for dissolution is passed at the shareholders' general meeting; (III) the Company has to be dissolved on account of its merger or separation; (IV) invalidation of business licence or closure or revocation order received according to the laws; (V) where the operation and management of the Company fall into serious difficulties and its continued existence would cause material losses to shareholders, the shareholders holding over 10% of the total voting rights of the Company may apply to the people's court to dissolve the Company if there are no other solutions. <u>If the Company encounters any of the dissolution causes specified in the preceding paragraph, it shall publicize the dissolution causes on the National Enterprise Credit Information Publicity System within 10 days.</u>

Existing Articles	Amended contents of the Articles
Article 185 In the circumstance as set out in Item (I) of the preceding article, the Company may continue to exist by amending the Articles of Association; if this Articles of Association is amended subject to the aforesaid provisions, it must be approved by shareholders representing two-thirds or above of the voting rights present at the general meeting. Where the Company is dissolved pursuant to the items (I), (II), (IV) and (V) of the preceding article, a liquidation team shall be established within 15 days and start to carry out liquidation. The liquidation team shall be composed of persons determined by directors or the general meeting. Where the liquidation committee is not formed within the stipulated time frame to conduct the liquidation, the creditors of the Company may apply to the People's Court to appoint relevant personnel to establish the liquidation committee to conduct the liquidation.	Article 1857 In the circumstance as set out in <u>Items (I) and (II) of paragraph 1 of the preceding article, if no asset has been distributed to shareholders,</u> the Company may continue to exist by amending the Articles of Association <u>or a resolution of the general meeting</u>;<u>i.</u> <u>If this Articles of Association is amended subject to the aforesaid provisions or a resolution of the general meeting, it must be approved by shareholders representing two-thirds or above of the voting rights present at the general meeting.</u> <u>Where the Company is dissolved pursuant to the items (I), (II), (IV) and (V) of paragraph 1 of the preceding article, the Company shall be liquidated. The Directors shall be the liquidation obligors, and a liquidation team shall be formed within 15 days from the occurrence of the events of dissolution, to perform the liquidation. The liquidation team shall consist of the Directors, unless otherwise stipulated in the Articles of Association or otherwise selected by a resolution of the general meeting. If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, such liquidation obligor shall be liable for compensation.</u>a liquidation team shall be established within 15 days and start to carry out liquidation. The liquidation team shall be composed of persons determined by directors or the general meeting.

Existing Articles	Amended contents of the Articles
	Where the liquidation committee is not formed within the stipulated time frame to conduct the liquidation, the <u>interested person</u> ereditors of the Company may apply to the People's Court to appoint relevant personnel to establish the liquidation committee to conduct the liquidation.
Article 186 In the event that the Board makes a decision upon liquidation of the Company (save and except for a liquidation in the event of the Company being declared as bankrupt), it shall, in the notice on the general meeting to be held on this, state that the Board has made a comprehensive investigation of the Company's conditions, and hold that the Company can clear off all liabilities of the Company within twelve months from the commencement of liquidation. Upon passing of the resolution on liquidation at the general meeting, the functions of the Board of the Company shall be immediately terminated. The liquidation committee shall follow the instructions from the general meeting, make at least one report each year to the general meeting regarding the income and expenditure of the liquidation committee as well as the Company's business and progress on the liquidation, and make the final report to the general meeting at the end of the liquidation.	Article 186<u>8</u> In the event that the Board makes a decision upon liquidation of the Company (save and except for a liquidation in the event of the Company being declared as bankrupt), it shall, in the notice on the general meeting to be held on this, state that the Board has made a comprehensive investigation of the Company's conditions, and hold that the Company can clear off all liabilities of the Company within twelve months from the commencement of liquidation. Upon passing of the resolution on liquidation at the general meeting, the functions of the Board of the Company shall be immediately terminated. The liquidation committee shall follow the instructions from the general meeting, make at least one report each year to the general meeting regarding the income and expenditure of the liquidation committee as well as the Company's business and progress on the liquidation, and make the final report to the general meeting at the end of the liquidation.

Existing Articles	Amended contents of the Articles
Article 187 The liquidation committee shall notify creditors within a period of ten days from the date of its establishment and make an announcement of the liquidation at a newspaper within sixty days of that date. Claims shall be registered by the liquidation committee. During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.	Article 1879 The liquidation committee shall notify creditors within a period of ten days from the date of its establishment and make an announcement of the liquidation at a newspaper <u>or on the National Enterprise Credit Information Publicity System</u> within sixty days of that date. Claims shall be registered by the liquidation committee. During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.
Article 188 Within thirty days following the date of receive of the written notification, or within forty five days following the public announcement if the written notification is not personally received, creditors shall declare their claims to the liquidation committee. When making declaration of their rights, creditors shall specify the items to which their rights relate and produce evidence to this effect.	Article 1888-90 Within thirty days following the date of receive of the written notification, or within forty five days following the public announcement if the written notification is not personally received, creditors shall declare their claims to the liquidation committee. When making declaration of their rights, creditors shall specify the items to which their rights relate and produce evidence to this effect.

Existing Articles	Amended contents of the Articles
Article 189 During the period of liquidation, the liquidation committee shall perform the following functions and powers: (I) clear up the Company's property and formulate the balance sheet and list of property; (II) send notifications or declarations to the creditors; (III) dispose of and clear up pending business of the Company in relation to liquidation; (IV) pay due taxes and taxes accrued and any tax that arises during the liquidation process; (V) clear off claims and debts; (VI) dispose of the Company's remaining property after the repayment of the debts; (VII) participate in civil proceedings on behalf of the Company.	Article 1899<u>1</u> During the period of liquidation, the liquidation committee shall perform the following functions and powers: (I) clear up the Company's property and formulate the balance sheet and list of property; (II) send notifications or declarations to the creditors; (III) dispose of and clear up pending business of the Company in relation to liquidation; (IV) pay due taxes and taxes accrued and any tax that arises during the liquidation process; (V) clear off claims and debts; (VI) allocated<u>dispose</u> the Company's remaining property after the repayment of the debts; (VII) participate in civil proceedings on behalf of the Company.

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 190 After clearing up Company's property and formulating the balance sheet and list of property, the liquidation committee shall formulate the liquidation scheme and submit the same to the general meeting or the People's Court for confirmation. Payment of debts out of the Company's property shall be made in the order of priority prescribed by applicable laws and regulations. If there is no applicable law, such distribution shall be carried out in accordance with a fair and reasonable procedure determined by the liquidation committee. The remaining property of the Company after payment has been made under the previous provision shall be distributed to its shareholders according to the class and proportion of their shareholding. During the liquidation period, the Company continues to exist, but may not carry out any business operation that is not for the purpose of carrying out liquidation.	Article 1902 After clearing up Company's property and formulating the balance sheet and list of property, the liquidation committee shall formulate the liquidation scheme and submit the same to the general meeting or the People's Court for confirmation. Payment of debts out of the Company's property shall be made in the order of priority prescribed by applicable laws and regulations. If there is no applicable law, such distribution shall be carried out in accordance with a fair and reasonable procedure determined by the liquidation committee. The remaining property of the Company after payment has been made under the previous provision shall be distributed to its shareholders according to the class and proportion of their shareholding. During the liquidation period, the Company continues to exist, but may not carry out any business operation that is not for the purpose of carrying out liquidation.
Article 191 When the liquidation committee finds out that Company's properties are not sufficient for repayment of the debts after clearing up Company's properties and formulating the balance sheet and lists of property, it shall immediately apply for declaration of bankruptcy with the people's court. After the Company is declared as bankrupt through a verdict made by the people's court, the liquidation committee shall prepare and hand over the liquidation matters to the people's court.	Article 1913 When the liquidation committee finds out that Company's properties are not sufficient for repayment of the debts after clearing up Company's properties and formulating the balance sheet and lists of property, it shall immediately apply for <u>bankruptcy liquidation</u>declaration of bankruptcy with the people's court. After the Company's <u>bankruptcy application is accepted</u> by the people's court, the liquidation committee shall prepare and hand over the liquidation matters to <u>the bankruptcy administrator designated by</u> the people's court.

Existing Articles	Amended contents of the Articles
Article 192 Upon completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report which shall be submitted to the general meeting of shareholders or the People's Court for confirmation as well as submitting the same to the companies' registration authority for application for the cancellation of the Company's registration and for making public announcements in connection with the termination of the Company.	Article 1924 Upon completion of the Company's liquidation, the liquidation committee shall prepare a liquidation report which shall be submitted to the general meeting of shareholders or the People's Court for confirmation as well as submitting the same to the companies' registration authority for application for the cancellation of the Company's registration and for making public announcements in connection with the termination of the Company.
Article 193 The members of the liquidation committee shall devote themselves to their duties and fulfill their obligations of liquidation according to the law. None of the members of the liquidation committee may take any bribe or any other illegal proceeds by taking advantage of his position, nor may not misappropriate any of the properties of the Company. Where any of the members of the liquidation committee cause any loss to the Company or any creditor by intention or due to gross negligence, he shall make corresponding compensations.	Article 1935 The members of the liquidation committee shall <u>perform their liquidating functions with duties of loyalty and care</u>devote themselves to their duties and fulfill their obligations of liquidation according to the law. None of the members of the liquidation committee may take any bribe or any other illegal proceeds by taking advantage of his position, nor may not misappropriate any of the properties of the Company. <u>Members of the liquidation committee neglecting to perform their liquidating functions, and thereby causing losses to the Company, shall be liable for compensation;</u>W <u>where any of the members of the liquidation committee cause any loss to the Company or any creditor by intention or due to gross negligence, he shall make corresponding compensations.</u>

APPENDIX II**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 194 Where the Company is declared bankrupt in accordance with laws, it shall implement bankruptcy liquidation in accordance with relevant laws relating to bankruptcy of enterprises.	Article 194 <u>6</u> Where the Company is declared bankrupt in accordance with laws, it shall implement bankruptcy liquidation in accordance with relevant laws relating to bankruptcy of enterprises.

Existing Articles	Amended contents of the Articles
CHAPTER 13 AMENDMENTS TO THE ARTICLES OF ASSOCIATION	CHAPTER 13 AMENDMENTS TO THE ARTICLES OF ASSOCIATION
Article 195 The Company may amend its Articles of Association according to laws, administrative regulations and requirements of Articles of Association.	Article 195 <u>7</u> The Company may amend its Articles of Association according to laws, administrative regulations and requirements of Articles of Association.
Article 196 The amendment to the Articles of Association shall be reported to the competent authorities for approval or filing if such amendments should be approved or filed by the competent authorities. If there is any change relating to the registered particulars of the Company, an application shall be made for registration of the changes in accordance with law.	Article 196 <u>8</u> The amendment to the Articles of Association shall be reported to the competent authorities for approval or filing if such amendments should be approved or filed by the competent authorities. If there is any change relating to the registered particulars of the Company, an application shall be made for registration of the changes in accordance with law.
CHAPTER 14 MISCELLANEOU	CHAPTER 14 MISCELLANEOUS
Article 197 Definition: (I) An actual controller means a person, though not a shareholder, but through investment relationship, agreement, or other arrangement, can actually control the activities of the Company. (II) The definition of associated relationship has the meaning as ascribed to it under Hong Kong Listing Rules.	Article 197 <u>9</u> Definition: (I) An actual controller means a person, though not a shareholder, but through investment relationship, agreement, or other arrangement, can actually control the activities of the Company. (II) The definition of associated relationship has the meaning as ascribed to it under Hong Kong Listing Rules.

APPENDIX II

**PROPOSED AMENDMENTS TO THE
ARTICLES OF ASSOCIATION**

Existing Articles	Amended contents of the Articles
Article 198 The Articles of Association are written in Chinese and English, both shall have the same legal effect. Where there is any ambiguity between both versions, the latest Chinese version which has been approved and registered at Market Supervision Bureau of Weihai City shall prevail.	Article 198<u>200</u> The Articles of Association are written in Chinese and English, both shall have the same legal effect. Where there is any ambiguity between both versions, the latest Chinese version which has been approved and registered at Market Supervision Bureau of Weihai City shall prevail.
Article 199 The right to interpret this Articles of Association rests on the board of directors of the Company. Matters not stipulated in this Articles of Association shall be proposed and passed at the general meeting by the board of directors.	Article 199<u>201</u> The right to interpret this Articles of Association rests on the board of directors of the Company. Matters not stipulated in this Articles of Association shall be proposed and passed at the general meeting by the board of directors.
Article 200 References to “above”, “within” and “below” in the Articles of Association are inclusive of the item itself whereas “except” and “outside” are exclusive of the item itself.	Article 200<u>2</u> References to “above”, “within” and “below” in the Articles of Association are inclusive of the item itself whereas “except” and “outside” are exclusive of the item itself.

The biographical details of the Director proposed for reappointment at the EGM are set out below.

Mrs. Meng Hong

Mrs. Meng Hong (“**Mrs. Meng**”), aged 59, is an independent non-executive Director and a member of each of the audit committee, remuneration committee, nomination committee and corporate governance committee of the Company. Mrs. Meng joined the Company in September 2022. She is currently an associate professor of the Accounting Department of the Business School of Shandong University (Weihai). She has over 30 years of experience in research and teaching at university. From 1994 to 1999, Mrs. Meng worked at Auditing Firm of Weihai High-tech Industrial Development Zone (威海高技術產業開發區審計師事務所), where she was responsible for auditing and appraising. From 2016 to 2022, she served as an independent director of Shandong Weida Machinery Co., Ltd. (stock code: 002026.SZ) and Zhuhai Winbase International Chemical Tank Terminal Co., Ltd. (stock code: 002492.SZ). From 2021 to 2023, she served as an independent director of Sunfly Intelligent Technology Co., Ltd. (stock code: 300423.SZ). Currently, Mrs. Meng is also an independent director of Weihai Guangwei Composite Co., Ltd. (stock code: 300699.SZ), Tianrun Industrial Technology Co., Ltd (stock code: 002283.SZ) and Weihai Honglin Electronic Co., Ltd (stock code: 301439.SZ).

Mrs. Meng obtained a bachelor’s and master’s degree in economics from Shandong University and a doctorate degree in economics from Hoseo University in South Korea. She is an asset appraiser in the PRC.

Subject to the Shareholder’s approval at the EGM, the Company will enter into a service contract with Mrs. Meng to renew the terms of her appointment for a term of three years from the date of the EGM. Mrs. Meng is subject to re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. The service contract may be terminated by either party by giving to other party not less than three month’s written notice. Mrs. Meng is entitled to a director’s fee of RMB150,000 per annum, which was determined with reference to her qualification, level of duties and responsibilities undertaken in the Company and the prevailing market conditions.

Mrs. Meng has confirmed (a) her independence as regards to each of the factors contained in Rule 3.13(1) to (8) of the Listing Rules; (b) that she had or has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected persons (as defined in the Listing Rules) of the Company; and (c) that there are no other factors that may affect her independence at the time of her reappointment.

Save as disclosed above and as at the Latest Practicable Date, Mrs. Meng did not have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company and did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above and as at the Latest Practicable Date, Mrs. Meng did not hold any directorships in the last 3 years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above and as at the Latest Practicable Date, there is no other information about Mrs. Meng that needs to be brought to the attention of the holders of securities or disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF EXTRAORDINARY GENERAL MEETING



山東威高集團醫用高分子製品股份有限公司 Shandong Weigao Group Medical Polymer Company Limited *

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

(Stock Code: 1066)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Shandong Weigao Group Medical Polymer Company Limited* (山東威高集團醫用高分子製品股份有限公司)(the “**Company**”) will be held at 2/F., 1 Weigao Road, Torch Hi-tech Science Park, Weihai, Shandong Province, the PRC at 9:00 a.m. on Friday, 17 October 2025, for the purpose of considering and, if thought fit, pass the following resolutions:

Unless otherwise defined, capitalised terms used therein shall have the same meanings as those defined in the circular of the Company dated 2 October 2025 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the Scheme Rules of the 2025 H Share Incentive Scheme of the Company (a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose) be and are hereby approved and adopted, and the Directors be and are hereby authorised, (i) to grant share awards in accordance with the Scheme Rules; (ii) to allot, issue, and deal with from time to time such number of award shares as may be required to be issued (including transfer of treasury shares out of treasury) pursuant to the exercise of the awards under the Share Scheme; (iii) to administer the 2025 H Share Incentive Scheme; (iv) to modify and/or amend the 2025 H Share Incentive Scheme from time to time provided that such modification or amendment is effected in accordance with the terms of the 2025 H Share Incentive Scheme and subject to the Listing Rules; and (v) to do such acts and things and enter into such transactions, arrangements and agreements as the Directors may in their sole discretion consider necessary, desirable or expedient in order to give full effect to and implement the 2025 H Share Incentive Scheme; and

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the total number of Shares which may be issued (including transfer of treasury shares out of treasury) in respect of all options and awards to be granted under the 2025 H Share Incentive Scheme and any other share schemes of the Company as may from time to time be adopted by the Company shall not exceed such number of Shares as equals 4.5 per cent. of the Shares in issue as at the date of passing of this resolution.”
- 2. To consider and approve the distribution of an interim dividend of RMB0.0969 per Share (inclusive of tax) for the six months ended 30 June 2025.
- 3. To reappoint Mrs. Meng Hong as independent non-executive director of the Company.

SPECIAL RESOLUTIONS

- 4. **“THAT:**
 - (a) the First Batch Proposed Amendments to the existing articles of association of the Company, the details of which are set out in Appendix II to the Circular, be and are hereby approved;
 - (b) the new set of articles of association of the Company (incorporating and consolidating the First Batch Proposed Amendments), in the form of the document which has been produced to this meeting and marked “B” and initialled by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company with immediate effect upon conclusion of the EGM; and
 - (c) any Director or company secretary of the Company be and is hereby authorised to deal with on behalf of the Company the relevant filing and amendments (where necessary) procedures and other related issues arising from the First Batch Proposed Amendments.”
- 5. **“THAT:**
 - (a) the Second Batch Proposed Amendments to the existing articles of association of the Company, the details of which are set out in Appendix II to the Circular, be and are hereby approved;

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- (b) the new set of articles of association of the Company (incorporating and consolidating both the First Batch Proposed Amendments and the Second Batch Proposed Amendments), in the form of the document which has been produced to this meeting and marked “C” and initialled by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company with immediate effect upon conclusion of the EGM; and
- (c) any Director or company secretary of the Company be and is hereby authorised to deal with on behalf of the Company the relevant filing and amendments (where necessary) procedures and other related issues arising from the Second Batch Proposed Amendments.”

6. **“THAT:**

- (a) the Third Batch Proposed Amendments to the articles of association of the Company, the details of which are set out in Appendix II to the Circular, be and are hereby approved;
- (b) the new set of articles of association of the Company (incorporating and consolidating all the Proposed Amendments), in the form of the document which has been produced to this meeting and marked “D” and initialled by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the then effective articles of association of the Company with immediate effect upon the latest of (i) the conclusion of the EGM; (ii) the completion of the requisite registration and filing with the relevant PRC authority; and (iii) the completion of the H Share Full Circulation; and

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- (c) any Director or company secretary of the Company be and is hereby authorised to deal with on behalf of the Company the relevant filing and amendments (where necessary) procedures and other related issues arising from the Third Batch Proposed Amendments.”

By order of the Board
Shandong Weigao Group Medical Polymer Company Limited
Long Jing
Chairman

Weihai, the PRC
2 October 2025

As at the date of this notice, the Board comprises:

Executive Directors

Mr. Long Jing (*Chairman*)
Mr. Cong Rinan (*Chief Executive Officer*)
Mr. Lu Junqiang
Mr. Wang Daoming

Non-executive Directors

Ms. Yan Xia (*Vice Chairman*)
Mr. Chen Lin
Mr. Tang Zhengpeng

Independent non-executive Directors

Mr. Li Guohui
Mrs. Meng Hong
Mr. Li Qiang
Mr. Sun Heng

Notes:

1. For the purpose of determining who may attend the EGM to be held on Friday, 17 October 2025, the register of members of the Company for H Shares will be closed from Monday, 13 October 2025 to Friday, 17 October 2025 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for attending and voting in the Extraordinary General Meeting, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 10 October 2025.

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For the purpose of determining who may be entitled to receive the interim dividend of the Company (subject to approval by the Shareholders at the EGM), the register of members of the Company for H Shares will be closed from Thursday, 23 October 2025 to Friday, 24 October 2025 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for entitlement of the interim dividend, holders of H Shares should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 22 October 2025.

The address of Tricor Investor Services Limited is as follows:

17/F.

Far East Finance Centre

16 Harcourt Road

Hong Kong

Fax: (852) 2810 8185

2. In accordance with the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of EGM will be voted by poll. Results of the poll voting will be published on the Company's website at www.weigaogroup.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
3. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.
4. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and deposited at the Company's H Share registrar, Tricor Investor Services Limited (for holders of H Shares), at least 24 hours before the EGM or any adjourned meeting thereof.
5. Completion and return of a proxy form will not preclude you from attending and voting at the EGM or any adjourned meeting thereof if you so wish.
6. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
7. The EGM is expected to last for about half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the EGM.